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August 24, 1966

CONGRESSIONAL RECORD — HOUSE

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Mr. ALBERT. Mr. Speaker, I desire to associate myself with the remarks of my colleague. I have found no disinclination on the part of the Governor of Oklahoma to go into any county which he desires to go into, despite the fact that he is a lameduck, and that this is an election year.

Mr. EDMONDSON. I thank the gentleman. I agree wholeheartedly with him.

RIOTS IN WASHINGTON

(Mr. HAYS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYS. Mr. Speaker, I read an article in the Washington Post this morning relative to the rock-throwing riot that occurred in Northeast Washington on Monday night. Capt. Vernon Culpepper, of the Washington Police Department, was quoted as saying:

The biggest contributing factor was the heat (85 degrees), the humidity (87 percent), and the fact that the youths live in hot, crowded public housing where sometimes you have as many roaches as people, in some of those places.

I should just like to point out that when this public housing was built it did not come equipped with roaches.

We cannot do anything about the heat and the humidity, but the people who live in this housing, which was new when they moved into it, can do something about the sanitary conditions.

Probably what this city needs, instead of a lot of people apologizing for riots, is an administrator of public housing such as we have in my district, who inspects it periodically. If the people do not keep it in proper shape, they find somewhere else to live.

I do not know what the people who go around apologizing want us to do next. I suppose they would like to get Congress to get a detail to go out and clean up for them. I for one am not going to volunteer.

REPRESENTATIVE ICHORD SPEAKS ON ANTIWAR DEMONSTRATIONS

Mr. ICHORD. Mr. Speaker, the Members received in their mail printed material from SANE in which my name, and alleged statements that I made, have received prominent attention. The material states:

In a radio interview broadcast by the American Broadcasting Company on August 12 one of the committee's more 'liberal' members, Representative RICHARD ICHORD of Missouri, linked the hearings to antiwar "demonstrations" and made the unprovable assertion that such demonstrations lengthened the war.

I do not have a tape of that interview, Mr. Speaker, but since I was not quoted directly by SANE, I am certain that no statement I made was in error.

Let me make it clear, Mr. Speaker, that the hearings just completed by the committee were not aimed at legitimate dissent. I may not agree with any particular demonstration but as long as it is a lawful exercise of freedom of assembly protected by the first amendment I

will defend it as a legal right. However, the act of raising money, blood, and supplies for the Vietcong now killing the flower of our youth in Vietnam is not legitimate dissent.

The bill as reported by the full committee today contains no provision that has even the most remote connection to any right guaranteed a person under the first amendment to the Constitution of the United States, such as freedom of speech, freedom of thought, and so forth.

I introduced in the committee amendments to remove any language that could possibly be criticized as violating the first amendment guarantees and these amendments were accepted by unanimous vote.

It has been the position of the Department of Justice that the present Department regulations and statutory legislation are sufficient to control and prohibit aid by certain American citizens to the Vietcong and the North Vietnamese. But standing out like a "sore thumb" in the Department's argument is the fact that certain "hard core" Communist groups have sent money to a Czechoslovakian bank on two occasions to aid the Vietcong and there have been no prosecutions—and a decision has been made not to prosecute. The record of the hearings will show that under questioning, by me during the hearing, the Department has specifically admitted that under the present law any individual or group of individuals can repeatedly solicit and collect funds and blood for the use of the Vietcong, the North Vietnamese, or any American enemy and there is no violation of law until there is an actual transmission. The present law is absolutely ineffectual as an examination of the statutes and the record of the Department clearly reveals. Under the present law there is no effective way of prohibiting transmission once the money has been raised. H.R. 12047 will effectively stop such activity in the very beginning by prescribing criminal penalties for the process of soliciting and collecting. I urge and I think I can safely predict the overwhelming passage of this legislation when it reaches the floor.

RURAL COMMUNITY DEVELOPMENT BILL SHOULD NOW BE BURIED

(Mr. DAGUE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAGUE. Mr. Speaker, yesterday the House held preliminary funeral services for S. 2934, the rural community development district bill.

Although not being privy to the reasons why the bill was suddenly removed from consideration by the House yesterday, I strongly suspect the main reason was simply that there are not enough votes in the House to pass it.

Strong bipartisan opposition has been in evidence since this bill was reported by the Committee on Agriculture on June 25 by a slim four-vote margin. The bill did not clear the Rules Committee until July 25 and then reportedly by a one-vote margin. It was then scheduled for floor action last week and then postponed until yesterday, when it was postponed

again for what the gentleman from North Carolina [Mr. COOLEY] described as "good and sufficient reasons."

Yesterday the Committee on Appropriations also filed its conference report on H.R. 14596, the fiscal year 1967 Agriculture Department appropriation bill. In its report on this bill—House Report No. 1867—the conferees agreed to provide \$637,000 for the Rural Community Development Service instead of the \$2.5 million proposed by the Senate and the \$3.4 million proposed by the administration. The conference report goes on to state:

Expansion of this agency has not been approved by Congress.

Certainly these two actions yesterday—the House postponement of S. 2934 and the Appropriations Committee conference report—should be a clear message to the administration that the House does not and will not approve of the duplicating, overlapping, unnecessary, inflationary, bureaucracy-building rural community development legislation incorporated in S. 2934.

I take this occasion then to sincerely urge the leadership of the House to let S. 2934 rest in peace until next year.

IS THIS THE COUP DE GRACE?

(Mr. MONAGAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONAGAN. Mr. Speaker, I should like to give the House notice of the hearings which the Special Subcommittee on Donable Property of the House Committee on Government Operations is presently conducting.

With these hearings, our subcommittee is trying to evaluate the accomplishments and effectiveness of the donable surplus property program of our Government. Under this vast program, Federal personal property which the Government no longer needs may be donated to qualified educational, public health, and civil defense agencies and organizations.

The magnitude of this program is reflected in the fact that in fiscal year 1966 more than \$429 million in acquisition costs of property was approved for donation to the various eligible donees. It is safe to say that very few educational and public health institutions of significance in the country do not benefit from this program, and it is certain that many vocational and training facilities would be unable to conduct their present programs without the assistance of this donated property.

For this reason, and also because the Congress has frequently asserted its desire to keep this program vigorous and viable, the subcommittee has been greatly disturbed to learn of a recently declared policy change by the Department of Defense which generates approximately 90 percent of the donable property. This change bids fair to gravely restrict, if not strangle, the donable property program. The policy being changed concerns the use of the so-called exchange/sale authority of the Federal Property Act. Under this

change, which by the way, the General Services Administration's new Governmentwide regulations on exchange/sale authority did not require the Defense Department to make, the Department will no longer make the bulk of its property available for donation prior to processing it for exchange/sale. There is much evidence that under the new DOD procedure, many common-use items which have been the backbone of the donable program will be sold or exchanged rather than donated to public institutions.

Testimony already received at the hearings of the Special Subcommittee demonstrates that many types of property which will now be sold or exchanged by the Department of Defense but which are needed by donee institutions, may bring less than a 10- or 15-percent return to the Government. When it is realized that in fiscal year 1965 expenses of sale of military surplus property amounted to 72.5 percent of the gross amount recovered, the desirability of this procedure must be seriously questioned.

It is true that hearings on the donation program have not been concluded and that information developed to date must continue to be evaluated. But it did seem to be desirable that the importance of these questions to institutions located in the districts of every Member of Congress, did warrant some notice to my colleagues in the House.

I hope that Members will reflect on these remarks and follow these hearings so that they can give the subcommittee the benefit of any suggestions, or advice, that they may have.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 237]

Adams	Hagan, Ga.	Purcell
Ashley	Halleck	Reid, N.Y.
Baring	Hansen, Iowa	Rosnick
Biatnik	Hansen, Wash.	Rivers, Alaska
Brock	Hathaway	Rooney, N.Y.
Cahill	Helstoski	Roudebush
Callaway	Horton	St. Onge
Celler	Irwin	Scheuer
Cohelan	Karth	Schisler
Conable	King, N.Y.	Schmidhauser
Conte	Landrum	Scott
Conyers	Long, Md.	Seiner
Craley	Love	Sickles
Davis, Ga.	McCarthy	Stratton
Denton	McEwen	Sweeney
Diggs	McMillan	Thomas
Duncan, Oreg.	Martin, Ala.	Toll
Evins, Tenn.	Martin, Mass.	Tutun
Flynt	May	Ullman
Ford,	Morrison	Walker, Miss.
William D.	Murray	White, Idaho
Fulton, Tenn.	O'Brien	Willis
Giaimo	Pepper	Wolff
Greig	Pike	Zablocki
Grider	Poage	
Griffiths	Powell	

The SPEAKER. On this rollcall 357 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call was dispensed with.

AUTHORITY TO FILE CONFERENCE REPORT ON DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1967

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on H.R. 15941, the Department of Defense appropriation bill for the fiscal year ending June 30, 1967.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONFERENCE REPORT (H. REPT. NO. 1886)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15941) "making appropriations for the Department of Defense for the fiscal year ending June 30, 1967, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the Senate recede from its amendments numbered 14, 15, 16, 18, 19, 25, 26, and 31.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 6, 7, 8, 12, 20, 22, 23, 28, 30, 32, and 33; and agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$4,948,100,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$4,017,300,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$24,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 5, 10, 11, 13, 24, 27 and 29.

GEORGE MAHON,	
ROBERT L. F. SIKES,	
JAMES L. WHITTEN,	
GEORGE W. ANDREWS,	
DANIEL J. FLOOD,	
GLENARD P. LIPSCOMB (except	
amendments 1, 2, 3, and 4),	
MELVIN R. LAIRD (except	
amendments 1, 2, 3, and 4),	
WILLIAM E. MINSHALL,	
FRANK T. BOW (except	
amendments 1, 2, 3, and 4),	
<i>Managers on the Part of the House.</i>	
RICHARD B. RUSSELL,	
LISTER HILL,	
ALLEN J. ELLENDER,	
JOHN L. MCCLELLAN,	
JOHN STENNIS,	
STUART SYMINGTON,	
LEVERETT SALTONSTALL,	
MILTON R. YOUNG,	
MARGARET CHASE SMITH,	
<i>Managers on the Part of the Senate.</i>	

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15941) making ap-

propriations for the Department of Defense for the fiscal year ending June 30, 1967, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—MILITARY PERSONNEL

Military personnel, Army

Amendment No. 1: Appropriates \$6,164,-400,000 as proposed by the Senate instead of \$6,429,400,000 as proposed by the House.

Military personnel, Navy

Amendment No. 2: Appropriates \$3,652,-100,000 as proposed by the Senate instead of \$3,738,100,000 as proposed by the House.

Military personnel, Marine Corps

Amendment No. 3: Appropriates \$1,183,-200,000 as proposed by the Senate instead of \$1,214,200,000 as proposed by the House.

Military personnel, Air Force

Amendment No. 4: Appropriates \$5,015,-800,000 as proposed by the Senate instead of \$5,204,800,000 as proposed by the House.

Reserve personnel, Army

Amendment No. 5: Reported in technical disagreement. It is the intention of the managers on the part of the House to offer a motion to recede and concur with an amendment. The amendment of the Senate with this further amendment will read: "Provided further, That notwithstanding any other provision of law, until June 30, 1968, the President may order any member in the Ready Reserve of an armed force, who has not served on active duty other than for training, to active duty for not more than twenty-four consecutive months less the number of months such member has previously served on active duty for training: Provided further, That in order to achieve fair treatment as between members in the Ready Reserve who are being considered for active duty under this section consideration shall be given to—

"(a) family responsibilities; and

"(b) employment necessary to maintain the national health, safety, or interest:

Provided further, That in selecting individuals to be called to active duty under this authority consideration shall be given to the preservation of the identity and maintenance of individual units of the Reserve Components."

Reserve personnel, Navy

Amendment No. 6: Appropriates \$112,600,-000 as proposed by the Senate instead of \$111,900,000 as proposed by the House.

TITLE II—OPERATION AND MAINTENANCE

Operation and maintenance, Army

Amendment No. 7: Appropriates \$5,122,-427,000 as proposed by the Senate instead of \$5,182,200,000 as proposed by the House.

Operation and maintenance, Navy

Amendment No. 8: Appropriates \$3,980,-300,000 as proposed by the Senate instead of \$3,982,900,000 as proposed by the House.

Operation and maintenance, Air Force

Amendment No. 9: Appropriates \$4,943,-100,000 instead of \$4,948,600,000 as proposed by the House and \$4,937,100,000 as proposed by the Senate. It is the intent of the conferees that the \$6,000,000 addition to the amount proposed by the Senate be used to keep the total current active number of B-52 aircraft in operation through June 30, 1967, as proposed by the House.

Operation and maintenance, Defense agencies

Amendment No. 10: Reported in technical disagreement. It is the intention of the managers on the part of the House to offer a motion to recede and concur with an amendment to appropriate \$806,500,000 instead of \$808,100,000 as proposed by the

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an antidumping agreement. This latter paper is intended to facilitate consideration by the participating countries of the possibility of negotiating such an agreement. It has been expressly agreed by all that this paper would in no sense represent a draft agreement. It should be noted that, under GATT procedures, none of these papers is available for public circulation.

Third, we believe that the terms of the notice of the TIC hearing do provide an adequate frame of reference for meaningful contributions by interested persons. Paragraphs (1)-(v) of section 2 of the TIC notice (31 F.R. 9619—July 15, 1966) identify all of the basic areas which have been dealt with to date in the discussions in Geneva. In addition, these paragraphs set out some of the major subsidiary questions which must be dealt with in considering a possible antidumping agreement and which may lead to a modification of existing antidumping standards or procedures. Moreover, section 8 of the TIC notice expressly provides that additional information regarding the coverage of the hearing may be requested from the TIC. Finally, the staff of this Office is available to meet at any time with interested persons to discuss the issues which will be the subject of any possible negotiation of an antidumping agreement.

CEMENT INDUSTRY COMMITTEE ON TARIFF AND ANTIDUMPING, 1966

Allentown Portland Cement Co.
Alpha Portland Cement Co.
American Cement Corp.
Ash Grove Lime & Portland Cement Co.
Atlantic Cement Co., Inc.
California Portland Cement Co.
Columbia Cement Corp.
Coplay Cement Manufacturing Co.
Diamond Alkali Co.
The Flintkote Co.
General Portland Cement Co.
Giant Portland Cement Co.
Gulf Coast Portland Cement Co.
Huron Portland Cement Co.
Ideal Cement Co.
Kaiser Cement & Gypsum Co.
Keystone Portland Cement Co.
Lehigh Portland Cement Co.
Lone Star Cement Corp.
Marquette Cement Manufacturing Co.
Martin Marietta Corp.
Medusa Portland Cement Co.
Missouri Portland Cement Co.
National Cement Co.
National Portland Cement Co.
Nazareth Cement Co.
Northwestern States Portland Cement Co.
Oklahoma Cement Co.
Oregon Portland Cement Co.
Penn-Dixie Cement Corp.
Puerto Rican Cement Co., Inc.
San Antonio Portland Cement Co.
Southwestern Portland Cement Co.
Whitehall Cement Manufacturing Co.
Wyandotte Chemicals Corp.

ADVICE AND DISSENT

(Mr. GERALD R. FORD (at the request of Mr. DEL CLAWSON) was granted permission to extend his remarks at this point in the RECORD, and to include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, the soaring prices under the Johnson-Humphrey Democratic administration have become a serious matter for millions of our people. We cannot dismiss this problem with the "slip, slide, and duck" technique recommended by Secretary of Agriculture Orville Freeman. An editorial in the Detroit News for August 17, 1966, entitled "Advice and Dissent," emphasizes that current high

prices deserve greater and more sincere consideration by Mr. Johnson and his administration.

Under leave to extend my remarks I include the editorial:

ADVICE AND DISSENT

If a "Politician's Almanac" is ever written, Secretary of Agriculture Orville Freeman should be assigned to write the chapter on consumer prices. The secretary has given some fascinating advice on the subject to Democratic congressional candidates:

"Slip, slide and duck any question of higher consumer prices if you possibly can. Don't get caught in a debate over higher prices between housewives and farmers. If you do, and have to choose a side take the farmer's side. It's the right side and, besides, housewives aren't nearly so well organized."

Freeman practices what he preaches. He is an excellent "slip, slide and duck" man. He has called on the Federal Trade Commission to investigate soaring food prices in order to keep his own department out of the cross-fire. Freeman has also pre-judged the investigation by blaming the middleman for rising prices and, of course, this is good politics because middlemen are not very well organized either.

But Freeman may be in for a jolt if housewives remember that "organization" is not necessary in a voting booth. Congressmen who follow Freeman's slippery tactics can be voted out of office with a mere flip of a lever. When politicians try to make political hay out of the housewives' soaring food budget, they deserve no better fate.

VIETCONG IN CAMBODIA

(Mr. CHAMBERLAIN (at the request of Mr. DEL CLAWSON) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CHAMBERLAIN. Mr. Speaker, a little over a week ago a self-appointed group calling itself "Americans Want To Know" returned from a tour conducted by the Cambodian Government of areas bordering on South Vietnam. To no ones surprise the group found no evidence of Vietcong or North Vietnamese units in Cambodia. Many have taken the same guided tour with the same results in the past. Unlike this particular group, some others have been genuinely concerned enough to check the situation from the other side of the border by asking the troops who are doing the fighting.

A columnist who has recently examined the evidence, Richard Fryklund, has joined a growing group of journalists who are convinced that Cambodia is being used by the Vietcong irrespective of the diplomatic protests of that country as to its "strict neutrality." In an article appearing in the Washington Evening Star, August 23, Mr. Fryklund writes:

Despite State Department and Pentagon efforts to question the existence of Viet Cong and North Vietnamese bases in Cambodia, the evidence is overwhelming.

They are there. They are immensely valuable to the enemy. The only question remaining is what to do about them. The evidence of the use of Cambodia has come from all of the traditional and a few new means of intelligence. But any visitor to South Viet Nam can find his own evidence. He can question prisoners of war at great length, listen to their descriptions of their movements in and out of Cambodia and decide for himself whether the men know where they have been and what they have

done. This reporter has checked on the scene and is convinced that the intelligence reports are accurate.

I will include the entire article entitled "Cambodian Sanctuary Prolongs War," in the RECORD following my remarks.

Mr. Speaker, the handling of the Cambodian situation may very well hold the key to the success of our efforts in South Vietnam. It is becoming increasingly clear to everyone that until the Cambodian border is sealed, the Vietcong can carry on the war indefinitely.

To date the efforts of the administration with regard to Cambodia have been clearly ineffective. Official tolerance of use of Cambodian soil by the Vietcong has done nothing to end the Cambodian Government's courtship of Communist China, North Vietnam, and the National Liberation Front. The great optimism that Prince Sihanouk was at last ready to take some real steps toward tighter border surveillance now appears to have been a false hope. Sihanouk continues to act on the assumption that the Vietcong will ultimately win, and we continue to stand ineffectually by and officially pretend to believe in Cambodian neutrality while at the same time finding it necessary to send hundreds of thousands of American boys to fight for South Vietnam's freedom.

The situation cannot be permitted to drift. The Vietcong's back-door source of supply must be closed and it is time the administration faced up to it.

The complete article follows:

CAMBODIA SANCTUARY PROLONGS WAR

(By Richard Fryklund)

There can be no doubt now that Cambodia is being used as a privileged sanctuary by the Communist armies and that continued use of the rest and resupply areas there puts a heavy handicap on allied forces fighting in South Viet Nam.

Despite State Department and Pentagon efforts to question the existence of Viet Cong and North Vietnamese bases in Cambodia, the evidence is overwhelming.

They are there. They are immensely valuable to the enemy. The only question remaining is what to do about them.

The evidence of the use of Cambodia has come from all of the traditional and a few new means of intelligence. But any visitor to South Viet Nam can find his own evidence.

He can question prisoners of war at great length, listen to their descriptions of their movements in and out of Cambodia and decide for himself whether the men know where they have been and what they have done.

This reporter has checked on the scene and is convinced that the intelligence reports are accurate.

The military men in South Viet Nam may not know on a precise day which enemy units are infiltrating through Cambodia or resting and being resupplied in the primitive jungle camps there, but they do know that they cannot corner an enemy who keeps his back to the border and slips across, sometimes on rocket signal from outside Cambodia, when the going gets too hot.

The sanctuary is prolonging the war. If the guerrilla war is won eventually without closing the border, this will be the first such success in the recent history of counter-insurgency.

But how to close it?

There are many proposals, some efforts and no progress.

The State Department is trying to get the Cambodian ruler, Prince Norodom Sihanouk, to close his own borders or cooperate in a joint effort. He does not concede that the

Communists side uses his territory for infiltration or as a sanctuary, but he has said that he will cooperate with the International Control Commission that probably could supervise the border under terms of the 1954 Geneva Convention.

But one of the ICC members is Poland, and Poland will not permit a border check.

There are suggestions in Washington that the United Nations do the job, financed by the United States; but there are some hazards, in the U.S. government view, in introducing the United Nations and its vetoes and neutralists and Communists into this struggle.

So military leaders in South Viet Nam and Washington are looking for ways to seal the border by force—or at least to reduce the movement back and forth.

Allied land and air forces are trying now to find and destroy large enemy units in the border area.

But it's a long border, wooded through most of its length, and enemy soldiers have plenty of trails and waterways to choose from. Operations by scores of thousands of allied soldiers probably have forced the enemy to work harder, but they haven't slowed him down.

Some military men in Viet Nam would like to extend their operations across the border.

From a simple military point of view, without consideration of diplomatic complications, it would be logical to harass and destroy in the storage and trail areas of Cambodia.

The allies might sow mine fields; they might put outposts in the Cambodian jungle.

But these efforts still would not stop the movement.

So there are many proposals also to seal the border.

France put fences and mine fields along much of the Algerian border in the late 1950's, and that proved to be fairly effective in containing a war that was hopeless anyhow.

Some American officers would like to try this along the Cambodian border.

They would start in the areas where the infiltration is the greatest, say in the Ia Drang River Valley near Pleiku.

First they would get rid of the trees in a strip several hundred yards wide. Present defoliating chemicals take the leaves off the trees and kill most of them, but they do not hold the lush jungle undergrowth in check for long. So better chemicals are needed.

Or modern "tree-crusher" machinery could grind up the forest.

The clearing job would be a vast one, but some military leaders point out that huge construction jobs can be completed in Asia with the slow application of massive manpower.

The cleared area could be fenced, mined, patrolled and watched by various electronic, infra-red and acoustic devices.

However difficult the job, it does not seem nearly as slow or as tiring as the job of finding all the enemy soldiers who use the sanctuary.

(Mr. BROOMFIELD (at the request of Mr. DEL CLAWSON) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

[Mr. BROOMFIELD'S remarks will appear hereafter in the Appendix.]

ATTACK OF THE TAIL-FIN PEOPLE

(Mr. NELSEN (at the request of Mr. DEL CLAWSON) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. NELSEN. Mr. Speaker, an article which appeared in the August 15th issue of NAM Reports has been brought to my attention. Since this article is concerned with the so-called truth-in-packaging bill which is presently under consideration in our Committee on Interstate and Foreign Commerce, I include it in the RECORD at this point in my remarks:

ATTACK OF THE TAIL-FIN PEOPLE—OR, AFTER THE HART BILL, WHAT?

(NOTE.—A few years ago, the tail fins on cars, like the dachshunds in World War I, became targets of inexplicable attacks by anti-industry groups. Some of the same people, with new allies, today are just as upset by a package that says "giant size," or a sticker that says "10 Cents Off." Here is explored the question of what such people will be upset about tomorrow, and what they may do about it that will affect American industry.)

Anyone who markets anything and fails to concern himself about the progress of the Hart Packaging and Labeling Bill through the House must be unaware of the nature of the pressures for consumer legislation of all kinds.

When Senator HART (D., Mich.) resisted addition of other commodities to the ones covered by his bill, he made perfectly plain that he favored such legislation—but in additional bills. The Senate passed the bill, leaving other commodities for later.

This was wise strategy on the part of the supporters of consumer legislation. If all the regulation they favor had been wrapped in a single package and honestly labeled all businessmen would have been alarmed into action.

The food and grocery products manufacturers, alone, have considerable resources, and have deployed them well in their effort to defend their marketing freedom. Hart Bill supporters are confident that the food industry, alone, can't defeat the bill. After all, in the Senate they were proved right.

If the Hart Bill (H.R. 15440) passes, then, the food industry may be expected to be on the sidelines when the next regulatory bill comes along, and the divide and conquer tactics will have worked. The strategy of the consumerists evidently is never to engage all industries at one time.

If the Truth in Lending Bill should come up next, in the present Congress or the impending one, the food companies will have no direct interest (who buys oleo on time?) and the consumerists will again be facing with their entire force only a fragment of the resources that all industry and business are capable of putting into the field.

A swift survey of consumer protection proposals now in varying stages of incubation should convince nearly anyone that additional regulation is certain for every industry if the Hart Bill gives the consumerists the start they need. From then on, industry will be faced with such proposals as:

1. Truth in Lending (S. 2275)—a bill by Sen. DOUGLAS of Illinois. This one could adversely affect every company whose products are sold on credit at retail, regardless of who extends the credit. The bill offers no way in which credit may be made less expensive, and actually might tend to frighten consumers away from credit by pinning a warning label on it as the Government has finally succeeded in doing with cigarettes. (Sales are up since.)

A customer could conceivably boggle at learning that he will pay an effective "interest rate" of 11½ percent by charging an air conditioner he can't now pay cash for. But whether he will, in fact, choose to swelter through a summer rather than pay all the costs that someone must meet if credit sales are to be arranged is a matter that only he is prepared to answer.

He may, with some consumerists, feel that six percent is somehow a maximum moral figure, whether it covers the expenses of credit checks, paperwork and the company's own interest payments, and refuse to buy. Or, he may be bright enough to say that 5½ percent of \$200 is \$11, or a few cents a day for beating the heat all summer, and please deliver as soon as possible. It costs more to rent an air conditioner.

The Douglas Bill could affect sales, but certainly it will add to the cost of extending credit by adding clerical and paperwork and printing.

2. Grade labeling: This veteran proposal has been resurrected by the Food Marketing Commission.

Its companion in kind is the proposal to force physicians to write prescriptions in generic, rather than in brand, terms. (Excuse for the latter, of course, is that the Government now pays for some prescriptions under Medicare, and earlier assurances that Medicare would not affect the practice of the doctor are already forgotten.)

3. Design standards: The auto safety bill (H.R. 13228) is an example of this, but once this one passes consumerists will be encouraged to remove the designing of additional products from the engineering departments of companies to the committees of Congress and the staffs of the regulatory agencies and Federal departments.

4. Publicized comparisons of products on the market: One official has suggested that the Government subsidize such outfits as Consumer Reports and Consumers Union in their product tests, and broadcast the outcomes.

Another suggestion is that the Government's purchasing agents be required to make publicly available the results of their studies for purposes of making Federal purchases.

Perhaps one needn't concern the grocery items producers much, because it would work like this: The housewife draws up a list of 35 or 40 grocery items. First is, say, canned peaches. So, she goes to the public library and reads through the technical data on the hundred or five hundred brands of canned peaches that are offered in the U. S., plus the sublists for halves and slices, and the packs in heavy syrup and dietary mixtures, cling and freestone, Elberta and other varieties. Fine, this is the one (if the store has it.) Now for the canned tomatoes. And so on. By the time she gets to the store, it is closed.

But what about consumer durables?

The private consumer testing outfits do some meticulous tests, and adulterate their reports with all sorts of subjective comments. One or two units of a product run in hundreds of thousands are tested, if the items are expensive, and a squeak in one unit could be amplified so it could be heard around the nation. Often the most important features of a product (like the sound of a radio) must be judged subjectively, and are. The panels are relatively small, and the opinions seldom unanimous. But tiny differences from unit to unit, slight edges in panel approval and such could give disproportionate boosts to the products of some firms and spell disaster to others, once such mixtures of test and opinion bore the Federal cachet.

Then, with millions at stake, the temptation to bribery would be present, and the suspicion of bribery pervasive.

The findings of Federal purchasers would be largely irrelevant to the needs of the consumer. The purchasing agent, convinced an office chair will last 50 years without maintenance and is low priced, is satisfied. He doesn't have to sit in it.

His taste standards, likely, will run to Rayburn Building neo-classic, and he will seldom make an error in calculating costs larger than was made in estimating that building—say 100 percent.

5. Limitations on advertising: When the Federal Government wants to enlist the public in the interest of Savings Bonds, beautification, employment of the handicapped or prevention of forest fires, it garners free space in all the media and free service from all the advertising agencies. But many in the Capital are on record as feeling that any other advertising is, somehow, evil.

Assistant Attorney General Donald F. Turner has proposed that the advertising expenditures of large companies be controlled as a novel anti-trust measure to prevent concentration.

His support from the consumerists, who would prefer to do away with all advertising, will be strong.

This is a matter of concern, of course, to the largest companies, who would be directly affected.

It is also a direct threat to every TV and radio station, every newspaper, every magazine, every outdoor advertising company, every printer and every direct mail house.

It is, consequently, a threat to our entire expensive and intricate system of gathering and disseminating information independent of Government sources and subsidies, known collectively as the "free press," and now including the broadcast media.

6. Regulation of volume discounts of advertising media: This is an idea that would raise costs to every regular, substantial user of advertising space and time, and consequently raise costs to consumers, or it would reduce the use of advertising, and raise Cain with the media and with sales.

7. Federal sponsorship of consumer education classes in the public schools: The NAM and other businesses and business organizations have no objection to consumer education, as such. Woe to business in general if its success ever depended upon ignorance. In such a case, all research and development to improve consumer products would be sheer waste.

The danger of this proposal is that its administration surely would wind up in the hands of the consumerists, whose mistrust of business is notorious.

It might be that such classes would not recommend bulk cracked wheat as less expensive and just as nutritious as wheat cereal pre-sweetened and made in the shape of kangaroos, but would you want to bet? And the young homemakers who follow such advice are, take it from the father of a 3-year-old, going to have woes inducing consumption of such chicken feed by willful toddlers.

Such classes are nearly certain to reflect the consumerists' strange set of values that people are more important than money, but nothing is more important to people in what they buy than money. The theme song can hardly be other than "cents per ounce, and forget the differences."

As our Government consumerists presently are oriented, we may reasonably expect the classes to bear some resemblance to the "make your wedding dress out of flour sacks" approach recalled from the Federal advisories to consumers in the 1930's.

Austerity is traditionally the keynote in such classes—a hair shirt lasts longer than a cotton one. Best Buy.

8. A "Hart Bill" for consumer durables: This will require legislative ingenuity and will lead to an administrative monstrosity, but a full wave of consumerism must lead here. If, as some lawmakers now contend, your wife is hopelessly baffled choosing between two boxes of corn flakes, can the Government, from which all blessings flow, fail her when she must choose between two electric floor polishers, which last longer than corn flakes in most cases, and which make a bigger dent in the family budget? No, customer "confusion" was the reason for the Hart Bill, and Steinmetz might have been confused by the wealth of competing virtues

and features offered by today's manufacturers of hard goods.

So any Hart approach to consumer durables probably would have to take the same line as the Hart Bill on packaged goods. You can eliminate the confusion by eliminating the choices.

9. Federal supervision of warranties and guarantees: This would simply make a Federal case out of each dissatisfied customer. Today, the manufacturer's interest in such a customer is in making an adjustment that will keep the customer. The new approach would make the manufacturer and the customer adversaries before a third party, and likely dash any such hope. The customer, then, could expect less interest—because the manufacturer's attention would be centered on getting Uncle Sam rather than the customer calmed down.

10. Licensing: NAM has had two reports from separate sources that the White House is actively seeking a workable plan for the Federal licensing of businesses in the interest of assuring consumer satisfaction. The licenses would be suspendable and revocable, and are intended to be designed for deterrent effect like atomic bombs.

Where is the support for such measures?

Labor unions and credit unions long have had consumer programs, although not necessarily pro-regulation, anti-business programs. A few individuals had made precarious livings as executives of "consumer" organizations. There were some consumer magazines, which evaluated products for audiences of college instructors and ladies with no makeup.

When politics discovered the consumer—whom Congress had been representing all along under the impression they were constituents—these venerable institutions were shaken up by unwanted attentions, the calling of conferences coast-to-coast, the appointment of commissions and committees and groups and panels and boards, all with mandates to forget the roses and search for thorns.

Business, which had habitually kept prices down through competition and development of new manufacturing and marketing methods, was accused of rifing the customer's pocketbooks, and Government, which had for years boosted prices with farm programs, commodity stabilization agreements abroad, excise and other taxes, minimum wage laws, etc., was quickly sketched in as the guardian of the purchaser's pennies.

A public, concerned with its own affairs and larger issues like Viet Nam and inflation, learns of a "bill to help consumers," and pays little note, save to be flattered by the attention and hopeful that results may be good.

Backing the consumerists now are the White House (with Esther Peterson as Presidential Advisor on Consumer Affairs and a full-blown, report-issuing "Consumer's Advisory Council"; the majority of the Food Marketing Commission, majorities of the Democratic majorities in both houses, minorities of the Republican minorities in both houses, a host of organizations that have been set up with Office of Economic Opportunity cash, some academicians, some anti-trusters, a horde of Federal employees in regulatory agencies that are already years behind on their cases, and a dear lady in our block whose Chalmers Touring Car once developed a crack in the ising glass after dealer had gone out of business.

Broad-scale public support is not in evidence.

But the strength to pass the bills is enough, provided businesses and industries can be picked off, one by one, each unaware of the general trend and not even bothering to send to ask for whom the bell tolls.

Observers feel that any businessman who thinks he is not affected by the Hart Bill cannot be fully aware of what a Hart Bill success would release upon other industries.

And, in these days diversification may lead any business into an area covered by the Packaging and Labeling bill, anyway.

They feel that this bill, now pending in the House, is the foundation upon which a vast regulatory structure will be based, and that it will be nearly impossible to stop the construction once the foundation is in place.

TO PERMIT TEACHERS TO DEDUCT EDUCATION EXPENSE FROM FEDERAL TAXES

(Mr. BROCK (at the request of Mr. DEL CLAWSON) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BROCK. Mr. Speaker, I am today introducing a bill amending the Internal Revenue Code to permit teachers to deduct the expense of their own education from Federal taxes.

Excellence in education is of paramount importance to our children and to the future welfare of our country. The purpose of my bill is to offer our teachers an incentive to continue to upgrade their own abilities and thereby improve the quality of education generally.

A teacher's pay is often dependent upon his or her educational attainment. Students, parents and the whole Nation benefit by encouraging teachers to improve themselves by keeping up with the latest and most modern techniques while at the same time giving our dedicated educators an opportunity to increase their own salaries.

Businessmen are allowed tax deductions for legitimate expenses relating to their business, and it seems only fair that teachers be given similar treatment under the law.

The greatest investment our Nation can make is to provide our youth with the best possible education, and tax help for teachers would be a giant step forward.

LEGISLATION TO CURB ANTIWAR ACTIVITIES

(Mr. WATSON (at the request of Mr. DEL CLAWSON) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WATSON. Mr. Speaker, it should be perfectly obvious to the Members of this body after a week of hearings before the Un-American Activities Committee that the International Communist movement has successfully infiltrated the antiwar groups in this country. In fact, one could reasonably conclude that these groups are actually dominated by the Communist conspiracy. The committee has heard testimony from avowed Communists who are proud of their role in obstructing and interfering with the movement of men and supplies to South Vietnam.

I have been shocked and appalled by the extent of Communist subversion behind these peace groups which has come to light during these hearings. The witnesses called upon to testify are not simply leftist-oriented idealists seeking a just peace in Vietnam. They are hard-core Communists who advocate the

overthrow of this Government by violence or any other means to attain this end. They are just as dangerous to the survival of freedom as a Communist aggressor locked in a life and death struggle with an American soldier at this very moment in Vietnam.

They are actively engaged in attempts to thwart the war effort. This sort of activity is in no way related to the right of American citizens to peacefully dissent from Government activities. They are the perpetrators of organized attempts to block troop movements involving our military personnel. They are burning draft cards and contributing financial support to the Vietcong.

Make no doubts about it, these protesters are giving aid and comfort to the enemy at a time when this Nation is at war. Their actions border on treason, and actually would be treason were we in a declared state of war. It is up to Congress to see that such revolutionary tactics by these anarchists are dealt with by severe penalties under the law.

I urge my colleagues to give overwhelming support to the measure approved by the Un-American Activities Committee today to deal with this critical problem. My friend, the gentleman from Texas, who has so ably conducted these hearings, introduced this legislation which would curb the activities of these "peacenik" groups. His bill would amend the Internal Security Act of 1950 by providing a fine of not more than \$10,000 or a prison sentence of not less than 5 years, or both, for persons convicted of obstructing our military effort or giving assistance to enemy forces.

We must not let this Congress adjourn without passing a measure of this type. It is our obligation to American fighting men who are dying to preserve our way of life. It is incredible to me that while our young men are giving their lives for freedom in a faraway land, youth of a comparable age in this country are joining ranks with the forces of oppression. They are indeed plunging the dagger into the backs of our fighting men. Now is the time to deal with these acts of treason. I think a long-term period of incarceration might tend to curtail this seditious activity, and it is up to us to provide such a penalty.

COMBINED GREEK ORTHODOX SERVICES IN TRIBUTE TO WAR DEAD AT CATHEDRAL OF THE PINES, RINDGE, N.H., JULY 10, 1966

(Mr. CLEVELAND (at the request of Mr. DEL CLAWSON) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CLEVELAND. Mr. Speaker, on Sunday, July 10, I was privileged to participate in a portion of the ceremonies at the Cathedral of the Pines in which the faithful of the Greek Orthodox Church from throughout New England assembled to witness a very special event during the annual combined services at the cathedral.

The beautiful Cathedral of the Pines, in Rindge, in my district, is an international shrine to war dead. It is the site of the Altar of the Nation, which is the only memorial which pays tribute to all of America's war dead.

This special event was the result of a truly responsible attitude within the Greek community of New England. Realizing that many personal sacrifices are being made daily in Vietnam, they wanted to honor the memory of the members of their church who have died in the defense of liberty. And this is very understandable because these sons of Greece in America today have ancestral lines running back to the homeland of Western democracy. The blood that they have now shed is mingled with the blood of earlier heroes who have likewise fallen throughout the centuries of conflict in defense of human liberty.

The ancient Greeks were peace-lovers; so too were these young Americans being honored. The ancient Greeks were men of freedom; so too were these young men. The ancient Greeks were mighty warriors who were not afraid to give their lives for their ideals; so too were these young men. The ancient Greeks loved and worshipped the Creator as the source of all their blessings; so too did these young men. Now they are joined in one company of heroes and the Greek community of New England assembled on this day to be in the spiritual presence of these men.

BISHOP GERASIMOS OFFICIATES

Officiating at this archiepiscopal divine liturgy was His Grace, Bishop Gerasimos of the New England Diocese. He was assisted by various clergy from throughout New England. Liturgical responses were provided by the Byzantine Male Choir of Lowell, led by Dr. Christos J. Bentas.

As part of the memorial services, a large wreath was presented by New England members of the AHEPA, a nationwide fraternal organization of Greek-Americans.

These Ahepan members passed three separate resolutions at three separate conventions of the three districts comprising the New England area. These resolutions made possible the attendance at this event of the three separate district lodges. Leading their respective districts was attorney Harold Demopoulos, district governor No. 7, James Tzellas, district governor No. 8, and Attorney John Pappas, district governor No. 9. More than 5,000 persons worshipped and prayed at this mountaintop Cathedral of the Pines.

Following the services the Greek community of Keene, N.H., provided an outdoor barbecue for those attending. This barbecue was held on the campus of nearby Franklin Pierce College, which had donated its complete facilities for this occasion.

This day's events truly depicted the tradition of responsibility and cooperation so prevalent in the ancient Greek culture that has now become a significant part of our American society. For just as the ancient Greeks respected honor, liberty, and justice, so too do

today's Americans of Greek descent cherish these ideals and use them to guide their everyday conduct. Let us salute the valor of these young men who have given their lives, and live so as to be worthy of the sacrifices made. Let us also salute the responsible spirit of the Greek community that makes possible events such as those that took place on July 10.

INSTITUTION BUILDING IN THE PACIFIC COMMUNITY A PACIFIC BANKERS' ASSOCIATION

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. HANNA] is recognized for 60 minutes.

Mr. HANNA. Mr. Speaker, we have entered the era of institution building in the Pacific community. Within the past few years we have seen many institutions begin to take form pulling Pacific neighbors ever closer together. Among the more well known have been the recently formed Asian and Pacific Cooperation Council, the Asian Development Bank, and the Mekong River project. Among the less publicized, but equally significant in their own way, have been such institutions as the Australia-Japan Business Cooperation Committee and the Trans-Tasman Trade Agreement. These are the sure signs, the first light of the dawning of the Pacific era, Mr. Speaker, and I am glad that our President has so astutely recognized this critical, dynamic factor of international relations today.

If I read his momentous speech of July 12, 1966, correctly, the President of the United States has given our foreign policy new luster and new energy to meet the challenges and opportunities that lie in the Pacific. He has said that our policy shall be to encourage, to help cultivate, and to help protect the bright future of a dynamic new Asia that is now blossoming in the Western Pacific.

The war, of course, is a great and poignant tragedy as war always is. It is tragic for the Vietnamese people. It is tragic for us and for our President. It is tragic for all men who hope for lasting peace. However, in the recognition of such tragedies let us not be so absorbed by the pall of war that we fail to see that elsewhere in the Pacific community, Asians are on the move, vigorously advancing toward a better life for themselves and a progressive and prosperous future for their children.

Mr. Speaker, the President has set the tone for constructive action in the Pacific. He has created an enlivened environment for positive thinking about the Pacific community. But setting the environment, as our President well knows, is not enough. A community does not spring forth whole, as Minerva did from the head of Zeus, merely because of the environment. It must be built by hard work, one brick at a time and, Mr. Speaker, institutions are the bricks of any community.

It has been long evident to the students of society and its governments that you must build institutions to bring together a people and enable them to have

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August 24, 1966

AMENDMENT TO AGREEMENT FOR COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF CHINA CONCERNING CIVIL USES OF ATOMIC ENERGY

The Government of the United States of America and the Government of the Republic of China,

Desiring to amend the Agreement for Cooperation Concerning Civil Uses of Atomic Energy Between the Government of the United States of America and the Government of the Republic of China, signed at Washington on July 18, 1955 (hereinafter referred to as the "Agreement for Cooperation"), as amended by the Agreements signed at Washington on December 8, 1958, June 11, 1960, May 31, 1962, and June 8, 1964,

Agree as follows:

ARTICLE I

Article I, Paragraph A of the Agreement for Cooperation, as amended, is amended to read as follows:

"A. Subject to the limitations of Article V, the Parties hereto will exchange information in the following fields:

"1. design, construction, operation, and use of research reactors, materials testing reactors, and reactor experiments;

"2. the use of radioactive isotope and source, special nuclear, or byproduct material in physical and biological research, medical therapy, agriculture, and industry; and

"3. health and safety problems related to the foregoing."

ARTICLE II

A. Article II, Paragraph A of the Agreement for Cooperation, as amended, is amended to read as follows:

"A. The Commission will transfer to the Government of the Republic of China uranium enriched in the isotope U-235, subject to the terms and conditions herein, as may be required as initial and replacement fuel in the operation of research reactors, materials testing reactors, and reactor experiments which the Government of the Republic of China, in consultation with the Commission, decides to construct or operate or decides to authorize private individuals and private organizations under its jurisdiction to construct or operate."

B. Article II, Paragraph B of the Agreement for Cooperation, as amended, is amended as follows:

1. The number, "six (6)", is deleted wherever it appears and the number, "eight (8)", is substituted in lieu thereof.

2. The last sentence thereof is deleted and the following is substituted in lieu thereof:

"The Commission may, however, upon request, make all or a portion of the foregoing special nuclear material available as uranium enriched to more than twenty percent (20%) by weight in the isotope U-235 when there is a technical or economic justification for such a transfer for use in research reactors, materials testing reactors, and reactor experiments, each capable of operating with a fuel load not to exceed eight (8) kilograms of the isotope U-235 contained in such uranium."

ARTICLE III

Article IV of the Agreement for Cooperation is amended to read as follows:

"With respect to the subjects of agreed exchange of information referred to in Article I, it is understood that arrangements may be made between either Party or authorized persons under its jurisdiction and authorized persons under the jurisdiction of the other for the transfer of materials, including special nuclear material, and equipment and devices, and for the performance of services. Such arrangements shall be subject to:

"1. the limitations applicable to transactions between the Parties under Article II;

"2. Article V; and

3. applicable laws, regulations, policies, and license requirements of the Parties."

ARTICLE IV

Paragraphs A, B, and C of Article VI of the Agreement for Cooperation, as amended, are amended to read as follows:

"A. The Government of the United States of America and the Government of the Republic of China emphasize their common interest in assuring that any material, equipment, or device made available to the Government of the Republic of China or any person under its jurisdiction pursuant to this Agreement shall be used solely for civil purposes.

"B. Except to the extent that the safeguards provided for in this Agreement are supplanted, by agreement of the Parties as provided in Article VII(A), by safeguards of the International Atomic Energy Agency, the Government of the United States of America, notwithstanding any other provisions of this agreement, shall have the following rights:

(1) With the objective of assuring design and operation for civil purposes and permitting effective application of safeguards, to review the design of any (a) reactor, and (b) other equipment and devices, the design of which the Commission determines to be relevant to the effective application of safeguards, which are, or have been, made available to the Government of the Republic of China or any person under its jurisdiction under this Agreement, or which are to use, fabricate, or process any of the following materials so made available: source material, special nuclear material, moderator material, or other material designated by the Commission;

(2) With respect to any source or special nuclear material made available under this Agreement to the Government of the Republic of China or any person under its jurisdiction by the Government of the United States of America or any person under its jurisdiction and any source or special nuclear material utilized in, recovered from, or produced as a result of the use of any of the following materials, equipment or devices so made available:

(a) source material, special nuclear material, moderator material, or other material designated by the Commission,

(b) reactors,

(c) any other equipment or device designated by the Commission as an item to be made available on the condition that the provisions of this subparagraph B(2) will apply,

(1) to require the maintenance and production of operating records and to request and receive reports for the purpose of assisting in ensuring accountability for such materials; and

(2) to require that any such material in the custody of the Government of the Republic of China or any person under its jurisdiction be subject to all of the safeguards provided for in this Article and the guarantees set forth in Article VII;

(3) To require the deposit in storage facilities designated by the Commission of any of the special nuclear material referred to in subparagraph B(2) of this Article which is not currently utilized for civil purposes in the Republic of China and which is not retained or purchased by the Government of the United States of America pursuant to Paragraphs E or F, respectively, of Article II, or otherwise disposed of pursuant to an arrangement mutually acceptable to the Parties;

(4) To designate, after consultation with the Government of the Republic of China, personnel who, accompanied, if either Party so requests, by personnel designated by the Government of the Republic of China, shall have access in the Republic of China to all places and data necessary to account for the source and special nuclear materials which

are subject to subparagraph B(2) of this Article, to determine whether there is compliance with this Agreement, and to make such independent measurements as may be deemed necessary;

(5) In the event of non-compliance with the provisions of this Article or the guarantees set forth in Article VII and the failure of the Government of the Republic of China to carry out the provisions of this Article within a reasonable time, to suspend or terminate this Agreement and to require the return of any materials, equipment, and devices referred to in subparagraph B(2) of this Article;

(6) To consult with the Government of the Republic of China in the matter of health and safety.

"C. The Government of the Republic of China undertakes to facilitate the application of the safeguards provided for in this Article."

ARTICLE V

Article VII, Paragraph B of the Agreement for Cooperation is amended by adding the words, "or group of nations", following the word, "nation", wherever it appears.

ARTICLE VI

Article VII(A)1 of the Agreement for Cooperation, as amended, is amended by deleting the reference, "paragraph C", and the commas preceding and following such reference.

ARTICLE VII

This Amendment shall enter into force on the date on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for the entry into force of such Amendment and shall remain in force for the period of the Agreement for Cooperation, as amended.

In Witness Whereof, the undersigned, duly authorized, have signed this Amendment.

Done at Washington, in duplicate, this — day of —, 1966.

For the Government of the United States of America:

(DZ)

DONOVAN Q. ZOOK,

Director, Office of Atomic Energy Affairs,
International Scientific and Technological Affairs, Department of State.

(BHT)

BARBARA H. THOMAS,

Foreign Affairs Officer, Division of International Affairs, U.S. Atomic Energy Commission.

For the Government of the Republic of China:

(MW)

MARTIN WONG,

Economic Minister Counselor, Chinese Embassy, Washington, D.C.

VIETNAM—DE-ESCALATION OR COMPLETE VICTORY

Mr. FULBRIGHT. Mr. President, on Monday, according to the New York Times, the Secretary of State visited U Thant. He also spoke to the Veterans of Foreign Wars.

In the conversation with Mr. U Thant—according to the Times—the Secretary asserted that the "United States wanted to de-escalate the Vietnam war" but said there was lack of interest on the part of Hanoi and its allies.

Speaking to the Veterans of Foreign Wars, however, the Secretary of State said that a premature pullout from Vietnam would surely lead to world war III. According to the paper, Mr. Rusk said:

Any withdrawal before complete victory over Communist aggression would be *** fatal.

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So one can take a choice of U.S. policy—de-escalation or complete victory. Except that I had always presumed that these were mutually exclusive.

Mr. President, I ask unanimous consent that the articles from the New York Times be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York (N.Y.) Times]

RUSK ASSERTS UNITED STATES FAVORS WAR CURB BUT FOES SHUN IT—TALKS OF VIETNAM WITH THANT AND CALLS FOR BOLSTERING OF TRUCE UNIT IN CAMBODIA—LEADERS CONFER AT U.N.—VETERANS TOLD BY SECRETARY AN EARLY FULL-OUT COULD SPUR WORLD WAR III

(By Kathleen Teltsch)

UNITED NATIONS, N.Y., August 22.—Secretary of State Dean Rusk told U Thant today that the United States wanted to de-escalate the Vietnam war but that there had been a lack of interest on the part of Hanoi and its allies.

Mr. Rusk visited the Secretary General and said later that he had assured Mr. Thant of the interest of the United States in scaling down the war.

[North Vietnam] officially denounced all American efforts to end the Vietnam war and rejected the proposal by its Asian neighbors to hold a peace conference, according to a United Press International dispatch from Tokyo.]

Mr. Thant's position has been that the only way to get negotiations started is by halting the American bombing of North Vietnam.

He repeatedly has offered this as the first element of a three-point formula. The other points would be scaling down of fighting in the South and discussions by all the combatants, including the Vietcong.

Mr. Rusk said he had not gone into details on these three points during his talk with Mr. Thant.

INTEREST IN CAMBODIA

Discussing Vietnam's neighbor, the Secretary of State said he had renewed United States interest in strengthening the International Control Commission in Cambodia to help assure the neutrality and territorial integrity of Cambodia.

The idea of bolstering the commission so that it could better police the frontier with South Vietnam was proposed by Prince Norodom Sihanouk, the Cambodian chief of state, in December with the suggestion that Washington pay for strengthening it. In June, the United States said it would be pleased to do so because the United States sought to prevent the use of Cambodian territory by troops of North Vietnam.

The proposal has not been implemented although a Cambodian source said today that it still stood.

Reiteration by Mr. Rusk of the idea of strengthening the commission took on significance in light of the fact that the United States conceded last week that the border village bombed by American planes recently may have been in Cambodia.

The commission was set up under the 1954 Geneva agreements. Mr. Rusk, in referring to it, expressed disappointment that the co-chairmen of the Geneva conference, Britain and the Soviet Union, had not been able to make progress on Prince Sihanouk's request. The United States has complained that the Soviet Union has not agreed to efforts to convene a Geneva meeting.

FIRST MEETING SINCE JUNE

Today's meeting between Mr. Rusk and Mr. Thant was their first since June 14, when the

Secretary General went to Washington for a United Nations reception. At that time Mr. Thant said that they had talked casually for only "a few moments," that Vietnam was touched on but that "nothing of substance" had been discussed.

By contrast, Mr. Rusk and Mr. Thant conferred in the Secretary General's 38th-floor offices for 65 minutes. Mr. Rusk was accompanied by Ambassador James M. Nabrit Jr. of the United States delegation, who is deputy permanent representative.

Mr. Rusk said on leaving that he and Mr. Thant had discussed the coming General Assembly and Southeast Asia and Vietnam. He said the talks had been "useful and helpful."

Mr. Rusk said that he had not discussed with Mr. Thant the United States' request that he stay on as Secretary General, but that American support for Mr. Thant was well known. Mr. Thant's term ends Nov. 3.

A WARNING BY RUSK

(By Homer Bigart)

Secretary Rusk warned in a speech here yesterday that a premature American pullout from South Vietnam would "surely" lead to World War III.

Any withdrawal before complete victory over Communist aggression would be as fatal as were attempts to appease the Axis powers in the nineteen-thirties, Mr. Rusk said at the annual convention of the Veterans of Foreign Wars at the New York Hilton Hotel.

He implied that had President Kennedy lived, American combat troops would be as heavily committed in Vietnam as they are under President Johnson.

He said President Kennedy had "never faltered" in taking whatever action was necessary to preserve South Vietnam's independence. He recalled Mr. Kennedy's saying two months before his assassination, "But we are not there [in Vietnam] to see a war lost."

SCHLESINGER'S VIEW

This does not agree with the recollections of Arthur M. Schlesinger Jr., the historian, who said in his book "A Thousand Days" that President Kennedy never regarded Vietnam as a top-priority problem. Moreover, Mr. Schlesinger said President Kennedy believed a heavy American troop build-up might turn Vietnamese nationalism against the United States and transforms an Asian civil conflict into a white man's war.

After discussing Mr. Kennedy's position on Vietnam, Secretary Rusk lauded President Johnson as "one of the most resolute Presidents this country ever had." He said:

"President Johnson has faced great alternatives:

"We can quit [in Vietnam] and await the great catastrophe that surely awaits at the end of the trail.

"Or we can meet these people who are coming in from North Vietnam. And our people are meeting them with a skill that is deeply moving.

"Now that's what this is all about. Either we act to prevent war or sit with neglect and wait for it to happen."

EARLIER VIEW RECALLED

Mr. Rusk noted that between World Wars I and II many Americans looked on Japan's aggression in Manchuria as unimportant to their national security.

He said Americans in those days reassured themselves by saying: "Well, maybe if the aggressors get just another bite they'll be happy," or "You have to remember they've been treated pretty poorly in the past."

"That was the cynicism, that was the neglect led to World War II," Mr. Rusk said.

He described the Veterans of Foreign Wars as "a group not confused about why we're fighting in Vietnam."

"Our objective," he said, "is peace—peace that permits an independent people in any area to live in peace with institutions of their own choice."

"He added:

"Once in a while I see a picket carrying a 'Peace in Vietnam' sign. I'm tempted to go and say, 'Let me help you carry that sign because President Johnson has taken that sign into every capital in the world'."

Secretary Rusk said American troops in Vietnam would "come home tomorrow if the [North Vietnamese] infiltration stopped and those who have no business in South Vietnam would go home."

"But they still keep coming," he said.

"If anyone from Hanoi can be in Geneva tomorrow morning to talk peace, I will be there," Mr. Rusk said.

Declaring that successive administrations in Washington had found the continued independence of South Vietnam vital to American security, the Secretary said there could be no doubt about the depth of the commitment in Southeast Asia.

He said that the Southeast Asia Treaty Organization and other defensive alliances were "the backbone of world peace," and that if Moscow and Peking concluded that the United States was backing down on its pledges to those alliances, the world would face the prospect of World War III.

He predicted that if President Johnson prevailed in South Vietnam "a hundred small nations around the world will clap their hands in joy."

The United States, he said, is not trying to "wipe out" North Vietnam, nor does it seek any bases in Vietnam.

"All we want," he added, "is an enduring peace, and what's wrong with that?"

The national Veterans of Foreign Wars Armed Forces Award was given to Col. Michael Yunck of the Marines in recognition of "his compassion for his fellow man and his dedication to American ideals as shown by his actions when he risked death and injury so that Vietnamese civilians might live."

Colonel Yunck, still on active duty despite the loss of a leg, told the veterans: "We will continue the fight in Vietnam until that country can join us in the family of free nations, free from fear of aggression."

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a short article from the Manchester Guardian, entitled "The Fears of U Thant."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Manchester Guardian, Aug. 12, 1966]

THE FEARS OF U THANT

"I am increasingly convinced," said the UN Secretary-General, U Thant, last Saturday, "that the Vietnam war will develop into a major war if the present trend continues." No one who did not foresee the war's expansion to its present scale has the right to contradict him—least of all the United States Administration, which is now employing forces and using methods beyond anything it dreamed of only two years ago. The expansion continues day by day, with occasional major leaps. Mr. Wilson's visit to Washington at the end of last week was marked by the heaviest raids on North Vietnam so far, and also by the first intentional raids by US aircraft on the demilitarized zone between North and South Vietnam.

If, as a US military spokesman claimed, the targets were troop concentrations and fortifications, then the North Vietnamese can be blamed for initiating this bit of escalation by introducing them; but that confirms rather than invalidates U Thant's thesis. U Thant's fear that the war may "spill over the frontiers" is already being fulfilled. Siam has long been a major base for the US air raids on the North, and it gets daily more disturbing that Britain is involved to

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the extent of building a military airfield there.

But, if both sides are contributing to the expansion of the war, the US responsibility is by far the greater. That is inevitable, quite apart from any questions of right and wrong; for the military resources that the United States can throw in are vast compared with those of Vietnam. A halt in the escalation does not depend on the Vietcong, or even, as Mr. Wilson often suggests, on Hanoi—unless it wants to surrender, for that (it may reasonably fear) is what accepting American terms for talks would imply at present.

Still less can Peking or Moscow save the nations from the fate that U Thant fears; they have already shown how reluctant they are to get involved in the fighting. The choice of peace and war is in American hands, and the fact that those who have to make it do not see it in such stark terms renders it all the easier for them to choose the wrong thing: war will come creeping up on them and tighten its coils, as it has been doing up to now. Already it is hard to see how they can escape honourably. But if they cannot at this stage contemplate withdrawing, they can at least not go on making things worse. That is an immediate decision they could take towards ending the war. It does not depend on any elaborate peace proposals, but would contribute to a situation which might later make them possible. Now, however, it seems that the US leaders are set on victory, and we may even fear, as U Thant seems to, that they will stop of nothing short of it—even world war. The danger is all the greater in that, through the nature of the war, the victory they seek is impossible.

CONDITIONS IN SAIGON

Mr. FULBRIGHT. Mr. President, several weeks ago, in an open hearing before the Committee on Foreign Relations, the Secretary of Defense challenged a statement which I had made, which in turn was based upon an article in the New York Times written by Neil Sheehan. That article dealt with conditions in Saigon resulting from the war and the infusion of such vast numbers of foreign troops.

It is regrettable that the Secretary of Defense, who is so powerful in the making of policy in our Government and in the conduct of the war, is so badly informed about actual conditions in the theater of war.

Recently, Mr. Eric Pace, in the New York Times, and Mr. Robert Guillain, in *Le Monde* of Paris, have given us further reports on the conditions in Saigon.

I believe it might be beneficial to our national welfare if those who direct our foreign policy were made aware of what is happening in Saigon and in Vietnam.

Therefore, I ask unanimous consent to have printed in the RECORD at this point the article from the New York Times of August 5, 1966, by Mr. Eric Pace and a translation of the article by Mr. Guillain which appeared in *Le Monde* of Paris on May 21, 1966.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

WAR SPURS DELINQUENCY AMONG GIRLS IN VIETNAM—INSTITUTION FOR THEM, RUN BY NUNS AT SAIGON'S COST, HAS TO BE ENLARGED

(By Eric Pace)

VINH LONG, SOUTH VIETNAM, August 3.—The South Vietnamese Government is quietly doubling the capacity of its only rehabilita-

tion center for delinquent girls, officials disclosed today.

"We're getting all the stragglers in the flock," said Sister Mary, the strapping Irish nun who runs the center, which is in a former military barracks in this provincial capital 65 miles southwest of Saigon.

"The presence of so many troops makes a fantastic amount of prostitution," she said. "It's out of control now in Saigon, and I think the Vietnamese resent this more than anything else about the expanding of the war, more even than the bombing."

Sister Mary's charges, dressed in neat white blouses, gazed coolly at a group of male visitors who were shepherded through the center's pastel arcades.

"There's Lisa," Sister Mary said. "She's 10. She was working in a brothel in Saigon."

"That is Rose; she used to steal 10,000 piasters [about \$85] a day," the 43-year-old nun said, indicating another 10-year old, whose hair was carefully combed.

Sister Mary also pointed a 16-year-old named Margaret who had a demure pigtail. "She was kidnaped, drugged and put to work in a Saigon bar," the nun said softly.

Saigon courts provide the majority of the inmates of the institution, which is formally called the Center of Professional Guidance and is owned by the Government. Sister Mary and her staff of seven nuns are from the Order of the Good Shepherd, whose headquarters is in France.

Girls from 10 to 18 years old are admitted to the center, founded in 1958 by the Government of President Ngo Dinh Diem after a campaign against vice. Subsequent Governments have kept the center in operation.

The present capacity of 170 girls will be increased by 150 when building is completed. The new house will contain a dining hall and quarters for unwed mothers and their children.

Construction on the project has lagged because of a lack of funds from the Government, although Sister Mary maintains that the program should be vastly expanded.

Though limited in size, the existing quarters are elaborately appointed, with a tennis court and swimming pool. The girls have their own mandolin ensemble, and are instructed in cooking and painting in addition to regular school subjects.

Older girls are allowed to go on dates with local boys whom they meet through Catholic youth activities. When the girls reach 18, the nuns try to find them jobs and homes elsewhere. Sister Mary said that most of her alumnae found a satisfactory niche in the outside world, and that numbers of them returned for visits.

With the sharp increase in prostitution, the courts no longer commit a girl simply for being a prostitute. "That would be like trying to stop a tidal wave," Sister Mary said. Those sent to the center have generally been involved in more serious crimes, such as kidnaping other girls.

Many of the younger inmates, though, are simply homeless urchins found roaming, like alley cats, down Saigon's boulevards, begging or stealing from the markets.

"Their parents are generally dead or killed in the war, or working some place else," Sister Mary explained.

The less tractable girls are segregated in a room called "the dump heap." They were sewing pajamas for a Saigon hospital today while the radio played soothing songs from the American musical "South Pacific."

IN VIETNAM: THE SECOND "DIRTY WAR"

(By Robert Guillain)

I. SAIGON

Their heads shaved, their shoulders squared, their legs enormous, they are here in the streets of Saigon by the hundreds—the G.I. Almost all of them in civvies, shirts hanging loose over their trousers, they dis-

play in the city the vaguely restive boredom of the soldier on leave, out for a good time.

For those big white and black giants, a whole population of pint-sized yellow men seems to be there just to wait on them. They let themselves be wheeled around in bicycle rickshaws by half-naked coolies. They have their shoes shined by tiny 10-year old shoeshine boys. They let themselves be taken in tow by girls who hold them by the hand.

It is for them that the girls have given up the graceful Vietnamese tunic, the silk pantaloons, and the floating veils, to don teenager slacks fitting snugly at the thighs. At the street-corners the G.I. palaver with the young hoodlums and plimp in blue-jeans, who offer them girls, plasters on the black market, addresses for gambling, or opium. For them the sidewalks of the Boulevard Charner spill over with shoddy goods in atrociously poor taste, sold out in the open, where erotic nudes painted on silks, and contraceptives camouflaged in silver dollars, are in great demand.

The heart of the city belongs to them. Rue Catinat, ironically renamed in Vietnamese "Rue de la Liberte" [Freedom Street], has never seen so many pink-skinned and blond-haired people. The terraces of the cafes are crowded, invaded by men, all cut after the same pattern. The bars—there is one every 50 feet or so—have American names, such as "Chicago", or "Texas", and are crowded at all hours of the day or the night.

THE HEAD IS ROTTEN

Abroad, one readily imagines that Saigon lives in an atmosphere of war. War? But who thinks of it here but to detest it and to escape from it and to profit from it by the waltz of the dollars, and to mock it by the race to pleasures? In those far away places one also thinks that Saigon lives in fear, afraid every moment of the grenades or the time-bombs of the Viet Cong. Oh well, it's not that way at all! Saigon only dreams of making deals and having fun, at least when it is not feverish with political demonstrations. At long intervals, it is true, the bombs work havoc. But, except for bad luck, everybody feels safe, and Saigon is not to be compared with Algiers under terror. Why would the Viet Cong use terror when there is an evil there which rots it much more surely from within: corruption? A Vietnamese said to me: "In this war, the head is rotten: Saigon is it."

These American boys behave decently, however, they are not too quarrelsome, not too often intoxicated, always generous with their dollars. But when there are thousands every day to spend their savings, to look for girls, to carry on their little deals, for each G.I. does quite a business, when the tide of men, the Niagara of dollars, and the Himalaya of supplies fall on a poor and underdeveloped South Vietnam, on a South Vietnamese population whose fibre, not very strong to begin with, has suffered the wear and tear of twenty years of war, how could this country escape rottenness?

The first few days, before I got used to it, the sight of Saigon gave me nausea. Because I had lived the Asian drama for a quarter of a century, had I myself become too "Asianized"? Anyway, I am sure that the Japanese, the Indians, and the Chinese who go to Saigon must feel as disgusted as I do. Well, then! After their 25 years of fighting and painful revolutions for Asia to be for the Asians, all of a sudden there are reinstalled in the capital of an Asian country, itself the center of world events, all the images overcome, all the odious images thought to have disappeared of a foreign and White supremacy.

Saigon, invaded as it never was under the French, more occupied than Japan after its defeat, more immoral than Tokyo during

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the Korean War . . . The Whites, masters of the city. The "buyers", back on the spot (the native businessmen who collaborate with the occupant . . .). The ministers, puppets on the string . . . The Vietnamese holding out their hand for a dier. . . . The Vietnamese girls who sell themselves. . . . But don't the Americans see that all this is a shocking sight? In the 15th or 20th year of decolonization, aren't they afraid of the judgments of the "Third World"? Don't they know what weapons they are giving their enemies when the Viet Cong can say: "Look, Saigon is no more than a brothel and a den of iniquity"?

PROSTITUTES AND RACKETEERS

Saigon's biggest industry today is prostitution. In Korea, during the other war, the Americans were boycotted by the proud Korean women. The Americans in Vietnam are much luckier: the women of Saigon can hardly resist their youth and their dollars, and the refugees from the rice-fields even less. The bars with girls are making a mint. New bars are being opened all the time, through paying graft which may go as high as a million plasters.

That is where the G.I. who is fond of dim light, jazz music and whisky comes to find what he is looking for. He finds a "suite" everywhere, even in the most expensive and best known hotels; or in the thousands of rooms rented by the day or by the hour: it is no longer possible to keep count of the thousands of Vietnamese families who have adapted a part of their living quarters to such use; or in the sprawling straw-hut or shanty camps that have sprung up outside the American camps and along the roads, on the exits from Saigon, toward Tu-Duc, Bien-Hoa, My Tho. . . .

To work for the Americans, or simply to live near them is the ideal of thousands of Vietnamese. Pro-American? No, pro-dollar. Those G.I.'s the money is rolling out of their pockets all by itself. Near them, one has access to all the products, all the gadgets. The U.S. Army imports everything, even its wastepaperbaskets are "made in USA." To get near them means to get near the miraculous P.X., or army depot, and that means to join in the "trafficking" that surrounds the P.X.

This trafficking has two forms. First of all, hundreds of G.I.'s every day sell on the black market all kinds of purchases they make at the P.X. for that purpose. On the other hand, hundreds of tons of goods bound for the army depot regularly disappear between the pier of the port of Saigon and the depot in town, a distance of two kilometers. Entire trucks disappear en route, as though by magic. And everyone knows that this does not happen without a vast complicity network which must stretch beyond the customs officials, convoys, Vietnamese police, etc.—who get themselves arrested from time to time—which must reach as far as the importing offices of the U.S. Army.

The diverted products reappear on the enormous outdoor market set up on the sidewalks, or in the stores all over the city. There one finds every conceivable type of commodity ranging from preserves to rare products labeled "not to be sold commercially." And the P.X. merchandise is not the only one to disappear. A certain "thieves market" in town specializes in the sale of brand new American uniforms. If you want to buy American arms, you can get the address.

CIVILIAN AND MILITARY "RACKETS"

Another lucrative big racket is in construction and housing. To get building materials, all kinds of graft must be paid, but the rich Vietnamese build one home after another and pay off the house within two years. They ask up to \$800 a month for rent, knowing that their American tenants will always pay, even if they have to go out of their way to live in the villa and share the rent (sic—

home?). The Chinese of Cholon build big eight to ten floor buildings profiting from the "cement racket," which is one of their private rackets. But which are not their rackets? Cartridge cases and scrap iron from the battle-fields, old tin cans, the flattened out metal of which is used for refugee huts. The Vietnamese compete: They traffic in automobile or scooter imports, pharmaceutical products, exemptions from military service, etc. Vietnamese, Chinese—or Americans, everybody cheerfully gets together in a major racket: the traffic in dollars and plasters. There are at least three recognized rates: the official rate, the military dollar rate, more than double, and the black market rate, more than triple. There are always people, as though there were any doubt, who have access to several rates and who thus build fortunes from clandestine exchange operations.

Many of even the highest-ranking officials take their own large slice from all these rackets. Under a regime which pays its officials ridiculous sums (a maximum of 50,000 old francs per month at least) embezzlement is a recognized practice: one gets paid out of State funds; "The mandarin also got paid, well, for life," a Vietnamese said to me, "The Minister of Tonton Diem for ten years, and the one we have today for one year!" "Bakashish" is indispensable on all sorts of occasions, and is demanded, especially, of the Americans. Officials make a fortune. Customs officials buy a Mercedes. Colonels build villas for themselves.

For the misappropriation of funds does not spare the South Vietnamese Army; it is even one of its diseases, in all ranks. The government soldier pillages the villages "on business." The superior officer serves his recruits two meals a day, instead of the three which are foreseen, and pockets the profit. When, all the same, this or that General or Colonel is perfectly honest, and many are, it is only too often his redoubtable wife who trafficks vigorously, like the wife who had her cement transported by army planes so she could build her villa.

The best explanation for all these practices is a simple one: it is an escape from insecurity. The war has been going on for 20 years. Death may come tomorrow; or destruction; or Communism. To escape the war, to hold on to something that is secure—that is the desperate reflex and the obsession of thousands of Vietnamese. Security, for many of them, lies in the plaster, or rather, the dollar, or an account in a Swiss bank. For others, French culture would be a form of escape, or a villa on the Cote d'Azur. Ah!, to go to France, to live in Paris, and never to come back! . . . It's better to desert a country which has become uninhabitable! If one could change the color of one's skin, one would do so. . . .

INFLATION

Meanwhile, even the profits from these doubtful practices are sapped by inflation. Its explosion coincided with the massive arrival of the American troops, and, therefore, the dollars. Prices rose 55 percent in 1965 and are climbing steadily, as a result of the deluge of money and shortage of goods. The Viet Cong know how to worsen the situation by economic warfare. They are cutting off Saigon's supplies of rice, milk, hogs, charcoal, etc.

It must be noted, and this is important, that not everybody suffers, far from it, because of the inflation and economic upsets. The American installations bring work to many little people, and the rackets are profitable. The people inside the hovels of the slums sometimes have more money than they have ever had before. The father works for the Americans as a coolie, the young son as a shoeshine boy, and the daughter is . . . "dutiful."

The people suffering most are the honest officials—there are some—and the little people with fixed incomes, especially the teach-

ers, the intellectuals, and the students . . . when they go to school. Many live in tragic circumstances. The government official becomes a bicycle-rickshaw driver after hours, and the professor drives a cab in his spare time.

An old world is crumbling. The United States which has come to protect law and order in this country has made a powerful contribution to the general disorder. The government is rotten; the family falls apart; the social classes are in a state of decomposition. "The Confucian society had four classes", a Vietnamese said to me, "of which the Mandarin was the most respected. Today a popular saying lists the four classes by order of power and respect: the p . . . , the rickshaw coolies, the Chinese, and the Generals." And he adds: "Besides, things change very rapidly. Six months ago, the Generals were heading the list." *UN*

THE JOHNSON DOCTRINE IN ASIA

Mr. FULBRIGHT. Mr. President, some time ago I spoke in this Chamber about the Johnson doctrine in Asia. I suggested that before our country was committed to such a far-reaching undertaking in Asia, the Senate should be informed and should be given an opportunity to approve or disapprove of such a doctrine and such an undertaking.

No one from the executive branch has acknowledged the plan to commit us beyond the war in Vietnam. But it is interesting that Mr. Richard Wilson, who reputedly is close to the White House, has written a column confirming the thesis that I advanced on this floor.

I ask unanimous consent that the article by Mr. Wilson be printed in the RECORD as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOHNSON SETS GREAT POWER ROLE FOR UNITED STATES IN ASIA

(By Richard Wilson)

This government now intends to play the role of a great power in Asia where none before has succeeded in modern times, neither Russia, nor Japan, nor China. That was the meaning of President Johnson's recent Asian policy announcement.

It is an audacious policy three years in the making with some unlikely participants who in the end came to conclusions contrary to those they previously held.

Johnson can trace the Viet Nam intervention in some form back through Presidents Truman, Eisenhower and Kennedy, but the new Asian policy he outlined in a nationally televised speech is strictly Johnsonian.

Four men in addition to the President—Secretary of State Dean Rusk, Vice President HUBERT H. HUMPHREY, Defense Secretary Robert S. McNamara and Walt Whitman Rostow—played the leading parts in the formulation of the policy. Rostow, the former Massachusetts Institute of Technology professor who advises the President on national security affairs, was the catalyst.

Not until Rostow came into the White House as heir apparent to McGeorge Bundy did the vague concepts of Asian intervention coalesce, through his incisive rationalizing, into a recognizable policy of great importance. The least likely and, in the end, the most enthusiastic of all the participants in making the policy was HUMPHREY, for he comes from that branch of the Democratic family that regards the Asian intervention as a tragic blunder.

Rusk brought to this policy his own preoccupation with Far Eastern affairs. This was his specialty in his earlier service in the

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State Department. McNamara, who in the beginning merely executed policy, has come to be a military philosopher, much concerned with the limits of the exercise of military power and eager to build bridges to China.

So, now, Johnson is asking this nation to turn its eyes and thoughts to Asia as the most crucial area of the world, not in the narrow sense of the limited Viet Nam war but in the same large sense as we have for three centuries judged our relationship to Europe.

This large order is not easily accepted by many who are learned in foreign affairs. We have been oriented to Europe in our major international relationships. The attention of the nation has been commanded only by extraordinary events in Africa, Latin America or Asia. We fought a war in the Pacific and then, after a little time, went home and watched from afar the rise and spread of Communist governments. We fought to a stalemate in Korea and then tried to forget about it.

But the issue rose again and again throughout Asia until the last vestiges of European power vanished from there with the departure of the French from Southeast Asia and the British from India. Then by tentative stages the U.S. government moved in hesitantly with aid money and advisers to try to fill the vacuum that was drawing in the power of Communist China. These tentative stages grew into an important war in South Viet Nam.

That war has now been spread to a much larger canvas whereon the United States would design a peaceable and cooperative Asia and where, as the President said, the United States would meet its obligations as a Pacific power.

The President has finally spoken frankly in terms that can be understood both by those who agree and disagree with him. There is no longer any doubt why we are in Asia. We are there to stop aggression and use our power, as we have used it in Europe, to create stability under conditions that serve our interests best.

Mr. FULBRIGHT. I also ask unanimous consent that an editorial from the Washington Post, entitled "Our Great Power Role," be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OUR GREAT POWER ROLE

President Johnson's message to the American Alumni Council makes the policy of the United States in Asia as clear as it can be made by the use of language. Citizens may quarrel with it, but they cannot fairly say they have any doubts about why we are in South Vietnam or about what we are doing in Asia.

As the President told the audience at White Sulphur Springs last night, we are in Asia to meet our obligations as a Pacific power, to prove to aggressive nations that the use of force is a losing game, to build the political and economic strength of the free nations of Asia, to further reconciliation between nations that now call themselves enemies.

The President has made the most powerful and persuasive declaration of his presidential career. It is a great state document stressing the ties that bind us to Asia. It scorns the suggestion that the Pacific is less "crossable" than the Atlantic. It boldly asserts American concern with peace in Asia and with the human rights of Asians. It warns his countrymen not to "retreat from the obligations of freedom and security in Asia."

The limited extent of our aims in South Vietnam is paired with the strongest assertion so far of this country's determination to pursue those ends. We are going to keep on until the Communists in North Vietnam

"realize the price of aggression is too high." The blunt warning to Hanoi that "victory for your armies is impossible," that they "cannot drive us from South Vietnam by force," that we will resist as long as they "persist in aggression" is rescued from arrogance by the promise that as soon as the use of force is abandoned, the fighting will end—that the United States will be ready to "reciprocate."

The President's quick review of progress toward peace and security in other parts of Asia may be criticized as excessively optimistic. But the record justifies some optimism. Progress may not all be traceable to our stand in South Vietnam but it is not unrelated to it. After a long diet of handwringing, we can stand a little heartwarming.

The President has boldly and courageously committed this Nation to a great power role in Asia. It is a role for which many of his countrymen may not be prepared. It is a role from which most of them surely would like to escape. It is a role that history would have compelled them to disavow or embrace sooner or later. The war in South Vietnam is an incident that has hastened fateful decisions, but it probably has not basically altered them. The country had to choose between a present-day Asian variety of our historic small-power isolation and the world role of great power into which events have thrust it. The President's paper is a simple declaratory statement describing the task we have already undertaken—and one that we undertook, if we had rightly understood it—the moment that World War II compelled us to assemble the greatest military force in world history. That force and power deprived us of the luxury of indifference toward or isolation from events anywhere in the world.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Arkansas be permitted to proceed for 3 additional minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, the Washington Post is an enthusiastic advocate of the administration's foreign policy, which of course it has a right to be. It says that the President has boldly and courageously committed this Nation to a great power role in Asia, but it never suggests that the Senate should be consulted.

I only suggest that it may well be that events will prove that this country should be a great power on the continent of Asia, but I still insist that it is proper—and I think wise—that such plans as exist in the Executive with regard to this matter should be submitted to the Senate, that we should have an opportunity to consider such plans and, I would hope, either to approve or disapprove of them.

The way we are now induced to commitments is so gradual and so subtle, that we have these commitments before any of us are aware of them. By that time, it is too late to exercise any independent judgment as to their wisdom.

Mr. President, as a part of these remarks, I also ask unanimous consent to have printed in the RECORD the text of the President's statement to which the article and the editorial refer.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Post, July 13, 1966]

ASIA—"PARTNER OR PROBLEM"

(Following is the prepared text of President Johnson's address last night, delivered from Washington to the American Alumni Council meeting at White Sulphur Springs, W. Va.)

As a former schoolteacher who turned to politics only to learn that all of life is a classroom, I have a very special respect for the work you do.

My own career, which began in a little school in South Texas, owes a great deal to men and women like you who labor that others might learn.

All my life I have taken seriously the warning that the world is engaged in a race between education and chaos. For the last two and one-half years I have lived with the daily awareness that the fate of mankind depends on the outcome of that race.

I came here tonight because you are committed, in the name of education, to help decide that contest. It is the most important victory we can ever win.

We have set out in this country to improve the quality of American life. We are concerned with each man's opportunity to develop his talents. We are concerned with his environment—the cities and farms where he lives, the air he breathes, the water he drinks. We seek to enrich the schools that educate him and to improve the governments that serve him.

We are at war against the poverty that deprives him, the unemployment that degrades him, and the prejudice that defies him.

As we look at other parts of the world, we see similar battles being fought in Asia, in Africa, and in Latin America. On every hand we see thirst for independence, the struggle for progress, and the frantic race between education and chaos.

In all these regions we, too, have a stake. Nowhere are the stakes higher than in Asia. It is about Asia—and peace in Asia—that I wish to talk tonight.

I Asia is now the crucial arena of man's striving for independence and order—and for life itself.

This is true because three out of every five people on this planet live in Asia.

This is true because hundreds of millions of them exist on less than 25 cents a day.

And this is true because Communists in Asia still believe in force to achieve their goals.

If enduring peace can come to Asia, all mankind will benefit. But if peace fails there, nowhere else will our achievements be secure.

By peace in Asia I do not mean simply the absence of armed hostilities. For where men hunger and hate, there can be no peace.

I do not mean the peace of conquest. For humiliation can be the seedbed of war.

And I do not mean simply the peace of the conference table. For peace is not written merely in the words of treaties, but in the day-to-day works of builders.

The peace we seek in Asia is a peace of conciliation, between Communist states and their non-Communist neighbors; between rich nations and poor; between small nations and large; between men whose skins are brown and black and yellow and white; between Hindus and Moslems and Buddhists and Christians.

It is a peace that can only be sustained through the durable bonds of peace: through international trade; through the free flow of people and ideas; through full participation by all nations in an international community under law; and through a common

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dedication to the great tasks of human progress and economic development.

Is such a peace possible?

With all my heart I believe it is. We are not there yet. We have a long way to journey. But the foundations for such a peace in Asia are being laid today as never before. They must be built on these essentials.

II

First is the determination of the United States to meet our obligations in Asia as a Pacific power.

You have heard arguments the other way. They are built on the old belief that "East is East and West is West and never the twain shall meet."

They claim that we have no business but business interests in Asia; that Europe, not the Far East, is our proper "sphere of interest"; that our commitments in Asia are not worth the resources they require; that the ocean is vast, the cultures alien, the languages strange, and the races different.

These arguments have been tested, and found wanting.

They do not stand the test of geography: We are bounded not by one but two oceans—and whether by aircraft or ship, satellite or missile, the Pacific is as crossable as the Atlantic.

They do not stand the test of common sense: The economic network of this shrinking globe is too intertwined—the basic hopes of men are too related—and the possibility of common disaster is too real—for us to ignore threats to peace in Asia.

They do not stand the test of human concern: The people of Asia matter—we share with them a common humanity.

And they do not stand the test of reality: Asia is no longer sitting outside the door of the Twentieth Century. She is here, in the same world with us, to be either our partner or our problem.

Americans entered this century believing that our security had no foundation outside our own continent. Twice we mistook our sheltered position for safety. Twice we were wrong.

If we are wise now, we will not repeat our mistakes of the past. We will not retreat from the obligations of freedom and security in Asia.

The second essential for peace in Asia is to prove to aggressive nations that the use of force to conquer others is a losing game.

There is no more difficult task in a world of revolutionary change—where the rewards of conquest tempt ambitious appetites.

As long as the leaders of North Vietnam believe they can take over the people of South Vietnam by force, we must not let them succeed.

We must stand across their path and say: "You will not prevail. Turn from the use of force—and peace will follow."

Every American must know exactly what it is we are trying to do in Vietnam. Our greatest resource in this conflict—our greatest support for the men who are fighting there—is your understanding. It is your willingness to carry—perhaps for a long time—the burden of a confusing and costly war.

We are not trying to wipe out North Vietnam.

We are not trying to change their government.

We are not trying to establish permanent bases in South Vietnam.

And we are not trying to gain one inch of new territory.

Then why are we there?

Because we are trying to make the Communists of North Vietnam stop shooting at their neighbors.

Because we are trying to make their aggression unprofitable.

Because we are trying to demonstrate that guerrilla warfare, inspired by one nation

against another, cannot succeed. Once that lesson is learned, a shadow that hangs over all of Asia will begin to recede.

When will that day come? I cannot tell you; only the men in Hanoi can determine the answer.

We are fighting a war of determination. It may last a long time. But we must keep on until the Communists in North Vietnam realize the price of aggression is too high—and either agree to a peaceful settlement or to end the fighting.

However long it takes, I want the Communists in Hanoi to know where we stand.

First, victory for your armies is impossible. You cannot drive us from South Vietnam by force. Do not mistake our firm stand for false optimism—as long as you persist in aggression, we will resist.

Second, the minute you realize that a military victory is out of the question, and turn from the use of force, you will find us ready to reciprocate. We want to end the fighting. We want to bring our men home. We want an honorable peace in Vietnam. In your hands is the key to that peace. You have only to turn it.

III

The third essential is the building of political and economic strength among the nations of free Asia.

For years they have been working at the task. And the untold story of 1966 is the story of what free Asians have done for themselves, and with the help of others, while South Vietnam and her allies have held aggression at bay.

Many of you can recall our faith in the future of Europe at the end of World War II. We backed that faith with all the aid and compassion we could muster.

Our faith in Asia today is just as great. And it is faith backed by reason. For if we stand firm in Vietnam against military conquest, we believe the emerging order of hope and progress in Asia will continue to grow.

Secretary Rusk has just returned from a trip through the Far East. He told me yesterday of many heartening signs as the people of Asia work toward common goals.

In the last year:

Japan and Korea have settled long-standing disputes and established normal relations with promise for closer cooperation;

One country after another has achieved rates of economic growth beyond the most optimistic hopes of a few years ago;

Indonesia has pulled back from the brink of Communism and economic collapse;

India and Pakistan—600 million strong—have ended a tragic conflict and returned to the immense work of peace;

Japan has become a dramatic example of economic progress through political and social freedom and has begun to help others;

Communist China's policy of aggression by proxy is failing;

Nine Pacific nations—allies and neutrals, white and colored—came together on their own initiative to form an Asian and Pacific Council;

New and constructive groupings for political and economic cooperation are under discussion in Southeast Asia;

The multibillion-dollar Asian Development Bank is moving forward in Manila with the participation of 31 nations;

And the development of Lower Mekong River Basin is going forward despite the war.

Throughout free Asia you can hear the echo of progress. As one Malaysian leader said: "Whatever our ethical, cultural, or religious background, the nations and peoples of Southeast Asia must pull together in the same broad sweep of history. We must create with our own hands and minds a new perspective and a new framework. And we must do it ourselves."

This is the new Asia that is taking shape behind our defense of South Vietnam. Be-

cause we have been firm—because we have committed ourselves to the defense of one small country—others have taken new heart.

We do not intend to let them down. Our word will be good.

IV

There is a fourth essential for peace in Asia which may seem the most difficult of all: reconciliation between nations that now call themselves enemies.

A peaceful mainland China is central to a peaceful Asia.

A hostile China must be discouraged from aggression. A misguided China must be encouraged toward understanding of the outside world and toward policies of peaceful cooperation.

For lasting peace can never come to Asia as long as the 700 million people of mainland China are isolated by their rulers from the outside world.

We have learned in our relations with other such states that the weakness of neighbors is a temptation and only firmness backed by power can deter power backed by ambition. But we have also learned that the greatest force for opening closed minds and closed societies is the free flow of ideas and people and goods.

For many years the United States has attempted in vain to persuade the Chinese Communists to agree to an exchange of newsmen as a first step to increased understanding.

More recently, we have taken steps to permit American scholars, experts in medicine and public health, and other specialists to travel to Communist China.

These initiatives have been rejected.

We persist because we know that hunger and disease, ignorance and poverty, recognize no boundaries of creed or class or country.

We persist because we believe that even the most rigid societies will one day awaken to the rich possibilities of a diverse world.

And we persist because we believe that cooperation, not hostility, is the way of the future.

That day is not yet here. It may be long in coming, but it is clearly on its way. And come it must.

Earlier this year the Foreign Minister of Singapore said that if the nations of the world could learn to build a truly world civilization in the Pacific through cooperation and peaceful competition, then—as Theodore Roosevelt remarked before him—this may be the greatest of all human eras—the Pacific Era.

As a Pacific power we must help achieve that outcome.

It is a goal worthy of our dreams and of the deeds of brave men.

I pledge to all those counting on us: we will do our part.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that I may proceed for 10 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE McCLOSKEY BID ON THE U.S. MINT IN PHILADELPHIA

Mr. WILLIAMS of Delaware. Mr. President, earlier this week I commented on the strange procedure followed by the General Services Administration in awarding a contract for the Philadelphia Mint to the McCloskey Co. I pointed out that 5 days after the bids had been submitted with a deadline of June 24 the McCloskey Co. was allowed to change its bid downward by about a half million dollars on the 18-month construction time period, and about \$4 million on the 12-month

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period, bringing them below the previous low bidder.

Since that time the General Services Administration has insisted that this was their standard procedure and that I had misunderstood the bidding procedures, I am told that this was not exactly a competitive bid arrangement but rather a combination negotiated-competitive bid.

I have stated earlier that I think I understand negotiated bids, and I think I understand competitive bids. However, this is certainly the first time in 20 years that it has been called to my attention that we have competitive-negotiated bid arrangements for awarding contracts on Government buildings.

In this instance the bids were received with a deadline for submission of all bids at a certain hour on the 24th of June. Three bids were submitted on that date. They were opened. There was no negotiation conducted. The GSA claims that they never talked to any of the bidders. They say that 5 days later, on June 29, completely unsolicited, McCloskey came into their office and revised its bid downward. They insist that this was done completely on an unsolicited basis. They say they then on June 29 placed two telephone calls, one to each of the competitors, to determine whether they wanted to stand pat, lower, or raise their bids. On July 1, 48 hours later they awarded the bid to the McCloskey Co., who was then, based on the revised bids, the low bidder.

If this really was a negotiated bid, it certainly was a strange procedure. Who were the people contacted? Bids are accepted; they are opened; the GSA waits in its office and does not talk to them; it just waits, hopes, and prays that by some strange medium the bidders will get the message that their bids were too high. The General Services Administration says that it never talked to any of the bidders until after it was approached by McCloskey. They just accepted the results that fate may present.

If this is the procedure followed by the department and they say this is the standard procedure—it is time that the results be examined. I am today asking the General Services Administration to submit to me a complete record of all contracts awarded for public buildings awarded during the last 3 years, showing the original bids, a list of all negotiated-competitive bids, the procedure followed, and the ultimate bid, along with all change orders made later on the contracts. It is time for the Congress to see how this negotiated-competitive bid

arrangement takes place and what the results are.

Mr. President, I have a letter just received from Mr. Knott, which I shall place in the RECORD. He released the letter to the press yesterday, and I first saw it in the newspapers; but I have it now, and I shall insert it in the RECORD. Mr. Knott pointed out that he was unable to get other bids from these contractors. That is true. I knew that because on April 7, 1966, there appeared this item in the Engineering News Record:

No Bids At All.—The General Services Administration last week received no bids at all for the superstructure of the \$18-million U.S. Mint under way in Philadelphia. McCloskey & Co., of Philadelphia, holds the substructure contract. GSA officials said seven or eight companies took out plans and specifications. Now GSA seeks an answer to the absolute lack of interest in the superstructure phase.

I think that the General Services Administration should have an answer to that question. I pointed out earlier that it costs contractors considerable money to prepare a bid, and they want to know if they are going to be given equal consideration.

In the letter which I shall place in the RECORD, and which has been released to the press, Mr. Knott stated as follows. I received this letter this morning and will read one sentence.

You may have had doubts about the matter, but surely it is significant that they are not, to my knowledge shared by any of the other contractors, either with respect to the procedure or the result.

Mr. President, Mr. Knott may think that he is right on that, but he should examine the records because he has had serious complaints. There were complaints to Mr. Knott's office. I shall read one letter.

First, I should go back to the beginning of the contract on this project and outline the procedure followed. It is well for all contractors in America bidding on Government buildings and Congress to understand how contracts will now be awarded. We are now told that this is standard procedure under the administration, and therefore it is well that we all understand how this negotiated-competitive bidding arrangement works on the Potomac front.

First, we go back to the beginning of the first contract on the mint last year, at which time they solicited bids for the contract on the substructure. This substructure contract was awarded to the McCloskey Co. of Philadelphia on Oc-

tober 1, 1965, in the amount of \$2,724,000 with a contract time of 180 days from the date of the receipt of the notice to proceed. The contract was awarded on a sealed bid basis, McCloskey being the low bidder among seven bidders.

Mr. President, I ask unanimous consent that the entire letter from Mr. Knott dated July 29, with the attachments showing the change orders, be printed in the RECORD, along with the list of the seven bids. This report shows that the first contract was not completed until June 17, 1966, while the contract date was April 3, 1966.

This represents a 2½-month delay, which becomes significant when I read some of the letters and comments of other contractors at that time.

There being no objection, the letter and attachments were ordered to be printed in the RECORD, as follows:

GENERAL SERVICES ADMINISTRATION,
Washington, D.C.

Hon. JOHN WILLIAMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: This is in reply to your letter of June 29, 1966, regarding the two construction contracts at the U.S. Mint at Philadelphia, Pennsylvania.

The substructure contract was awarded to McCloskey and Company of Philadelphia, Pennsylvania, on October 1, 1965, in the amount of \$2,724,000, with a contract time of 180 days from date of receipt of notice to proceed. This contract was awarded on a sealed bid basis, the McCloskey firm being the low bidder in a field of 7 bidders. The original contract completion date was April 3, 1966, and the work was substantially completed on June 17, 1966. The contractor's request for an extension of time of 75 days because of additional work, strikes, etc., is now being reviewed.

Enclosed is a list of 43 contract modifications that have been issued by the Government together with the estimated cost of each one. They are now being reviewed by our estimators for reasonableness.

Original contract price----- \$2,724,000
Estimated net cost of changes--- 81,770

Estimated final price----- 2,805,770

The superstructure contract was awarded as a result of limited competition between McCloskey and Company, J. W. Bateson and Company, and Turner Construction Company to McCloskey and Company on July 1, 1966, in amount of \$12,682,586 to be completed in 548 days. Less than 1% of the work has been completed to date at the site as the contractor did not start until July 11, 1966.

Thank you for your continued interest in this project.

Sincerely yours,
LAWSON B. KNOTT, Jr.,
Administrator.

Enclosure.

Pending change orders, U.S. mint, Philadelphia, Pa.

Change order No.	Description	Estimated contract credit	Estimated contract addition	Change order No.	Description	Estimated contract credit	Estimated contract addition
1	Provides trailer for construction engineer's office in lieu of constructing an office.	\$1,170	-----	9	Revise dimensions of sump pit as shown on field drawing No. 9.	-----	\$0,285
2	Remove unsuitable material near column 4 and backfill with select material.	-----	\$3,750	10	Delete dovetail anchors and add blockouts for mechanical duct.	-----	1,695
3	Reduce thickness of basement floor slab.	46,770	-----	11	Add blockouts as shown on field drawing No. 4.	-----	240
4	Remove unsuitable material along Arch St. and backfill with select material.	-----	4,950	12	Revise elevator shaft located near stair No. 2 as shown on field drawing No. 5.	-----	90
5	Add water service to building along 4th St.	350	-----	13	Provide blockout in elevator wall as shown on field drawing No. 6.	-----	685
6	Revise opening for ventilation duct as shown on field drawing No. 1.	275	-----	14	Omit slab for future equipment.	\$3,775	-----
7	Revise type E columns as shown on field drawing No. 2.	205	-----	15	Remove excess fill at telephone duct.	-----	3,700
8	Revise escalator opening as shown on field drawing No. 3.	35	-----	16	Provide blockouts 1st floor as shown on field drawing No. 10.	-----	225

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comes, and the high-income groups need no assistance. But what about this group in between?"

"It costs the taxpayers more than \$1,800 per year for every student who attends the State University of New York," she says. "If the state spends this for students in the State University, it seems only logical that students in private colleges and universities should receive aid."

Mrs. Power's concern lies with the private higher educational institution. With the State University's low tuition, how can the private college attract the students who are financially unable to afford ever-growing tuition costs, she asks.

"Financial strain affects academic achievement," Mrs. Power says, "and since we are living in a period of inflation, I feel this rise in the award would enable more students to attend private colleges."

Under the present scholar incentive plan, established by Gov. Rockefeller and the legislature in 1961, \$100, \$200 or \$500 is awarded to eligible students each year, according to financial ability. Those students who fall under the middle-income group with which Mrs. Power is concerned receive the minimum award.

To qualify for the award, the student must, 1. attain a raw score of at least 100 on the Regents Scholarship Examination, or 2. attain a combined score of 800 in the verbal and quantitative parts of the Scholastic Aptitude Test of the College Entrance Examination, or 3. complete the requirements for a Regents State High School diploma, or 4. attain a combined score of 250 in the General Educational Development Test administered for the High School Equivalency Diploma.

"Disregarding tuition, private colleges or universities, maintaining programs of excellence, will always attract capable students," Mrs. Power says.

"We fully appreciate the accomplishments of the State University, for it is achieving recognition as a top-ranking university in the United States. But I feel this competition for students by the State University and private colleges insures a better educational system."

Mrs. Power will present her plan to the Board of Regents at the next meeting. Even if the Board accepts the plan, the real battle for increased scholar incentive will be in the state legislature, she says. Any such proposal, however, will involve months of discussion, promotion and lobbying.

"In many cases, this scholar incentive is more important in the middle-income groups," Mrs. Power explains. "We are talking dollars and cents but we must not forget the intangible family relationships and academic motivation."

Tight Money Market

EXTENSION OF REMARKS
OF

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1966

Mr. PATTEN. Mr. Speaker, one issue which has plagued the residents of Middlesex County in recent months is the existence of what is known as a tight money market. It has become increasingly difficult to obtain mortgages, to the dismay of the buyer and broker alike.

Last week, we made available an additional \$3.65 million of FNMA funds to ease the mortgage difficulties. I am

hopeful that this new infusion of funds will provide a genuine degree of assistance for the housing business and for home financing.

Two articles which appeared in Middlesex County, N.J., newspapers last month indicate the degree of seriousness of this problem in our area. Hopefully, the new FNMA funds will ease this problem. However, the situation as outlined by Mr. Berg is a serious one and is one which requires further and deeper study.

The articles follow:

[From the New Brunswick (N.J.) Sunday Home News, July 17, 1966]

BERG ASKS PUBLIC ACTION ON TIGHT MONEY

A prominent Middlesex County real estate broker yesterday appealed to the public to use "its influence in Washington" to put an end to the "tight money" policy that has made mortgages virtually impossible to obtain.

Kenneth Berg, who with his brother Leonard owns the seven-office Berg Agency quartered in Metuchen, said that people are being denied their "fundamental right to provide better housing for their families."

Berg reported that interest in buying homes is brisk, but that mortgage money is becoming more and more expensive.

The current mortgage-money situation was created when the Federal Reserve Board raised the rediscount rate from 4 to 4½ per cent while allowing commercial banks to offer up to 5½ per cent on certain types of time deposits. The policy resulted in a sharp increase in interest rates and decreased funds held by savings and loan associations and savings banks which supplied the vast majority of mortgages for both new and used homes.

"We have been bombarding our congressmen and senators with letters," Berg said, "and President Johnson on numerous occasions since the first of the year, but we can't stir up any interest in changing this dangerous policy."

URGES PUBLIC ACTION

Berg urged the American public to exert its strong influence in Washington to campaign for a return to a normal availability of mortgage money. "We and other real estate brokers, who are caught in the middle as the go-between with the bank, mortgage company and the seller, have been doing our best to correct the situation. We have had no success.

"Only a concerted effort by the public can create sufficient pressure in Washington to make mortgage money available again," Berg said.

"Although our organization and other large firms throughout the state have sufficient money for the balance of 1966, the scarcity of mortgage money could become so critical it might become almost impossible to place a VA or FHA mortgage in the future."

"This tight money situation is starting to have a cumulative effect that is going to be felt in everyone's pocketbook," Berg warned. "The American public is concerned about inflation, but the government's attempt to curb inflation is hitting the real estate business the hardest. The only effect the tight money policy is having is depriving people of their fundamental right to provide better housing for their families. People can finance almost anything—particularly luxuries such as color television sets and fur coats, but can't finance their most important necessity—a home."

Berg urges individuals and civic groups to write to their congressmen and senators—and even to the President—"before 1968 replaces 1929 as America's darkest year."

The Berg Agency maintains offices in Metuchen, Middletown, Dunellen, Parlin, Hazlet, East Brunswick and Woodbridge.

[From the Perth Amboy (N.J.) Evening News, July 16, 1966]

TIGHT MONEY "DANGEROUS"

A prominent New Jersey real estate broker today appealed to the public to use "its influence in Washington" to put an end to the "tight money" policy that has made mortgages virtually impossible to obtain.

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Berg urged the public to exert its strong influence in Washington to campaign for a return to a normal availability of mortgage money. "We and other real estate brokers, who are caught in the middle as the go-between with the bank, mortgage company and the seller, have been doing our best to correct the situation. We have had no success.

VN
Vietnam: The Construction War

EXTENSION OF REMARKS

OF

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1966

Mr. SIKES. Mr. Speaker, the June 1966 issue of Construction Equipment & Materials contains a number of very interesting sidelights on the problems of construction in Vietnam. Undoubtedly, U.S. forces there are overcoming one of the most difficult construction tasks in history. I believe the information made available in this magazine is illuminating and I place it in the RECORD at this point:

VIETNAM: THE CONSTRUCTION WAR

(The war in Vietnam is like the closed-canopy jungle which covers this land. From afar, you see a profusion of greenery, but not the trunks and limbs that support it.

(So too, newspapers and TV dramatically portray the role of the jet bomber and the helicopter. But they neglect the building of new harbors, airfields, cantonments, and POL facilities—which are the backbone of the U.S. military.

(To obtain for CEM readers a definite blueprint of the role of construction in this conflict, we visited many military bases, photographed scores of construction projects, and interviewed admirals, catskinnners, and project managers.

(The salient facts are these: The United States armed forces are the most powerful, technologically advanced combat units in the world.

(But the dispersion of enemy forces, adverse terrain and climate, and total lack of modern facilities makes Vietnam a poor place in which to wage a mechanized war.

(Therefore, the U.S. must first build the elements vital to modern warfare. We must

reconstruct the environment, so that we can assist the Republic of Vietnam in winning its battle against the terrorist activities of Viet Cong.

(It is within this frame of reference, that we describe for you "The Construction War".—MIKE SPRONCK, Publisher.)

WHAT YOU NEED TO RUN A \$1-MILLION-A-DAY JOB

Putting a private contractor to work in a war zone is unique. So are the size and scope of construction in Vietnam. Contracts cover dredging, pile driving, excavating and grading, paving, erection of thousands of buildings, pipelining—you name it—on hundreds of projects at some 40 different locations.

The volume of the work is enormous. Current plans call for completion of over \$1 million worth of work every day!

The problems of logistics are tremendous. In Vietnam you start with nothing, so you ship in everything: Like 100,000,000 board feet of lumber from U.S. West Coast mills; some 10,000 prefab buildings (most from mobilization reserve stock in the U.S.); about 50,000 tons of cement a month from Taiwan.

Work escalates with war

Construction in South Vietnam started out rather placidly. In 1962, Raymond International and Morrison-Knudsen accepted a cost-plus-fixed-fee contract for some airfield work under our military assistance program. The total program was about \$15,000,000.

In fiscal '63 and '64 there were modest increases. Then, as the war escalated, construction did, too. By the spring of '65 the contract volume had grown to \$100,000,000. Current funding is over \$400,000,000. And RMK became RMK-BRJ as Brown and Root and J. A. Jones Construction Co. were brought into the joint venture.

Of course, this meant a complete reevaluation of the program through '65 to accelerate the rate of work in place. The \$1.7 million WIP per month in December 1964 was now unsatisfactory. The contracting authority (U.S. Navy Bureau of Yards and Docks for all military construction in the Pacific Theater) decided to step up the pace to a \$4.5 million WIP per month by July 1965. But by May '65 BuDocks realized that they needed \$7.5 million WIP per month by September. And so it kept rocketing up: in July '65, \$13 million for December; in August, \$25 million for March '66; and in December '65, a \$40 million rate for work-in-place per month to be achieved by October '66.

To reach this goal, RMK-BRJ and BuDocks would have to crank out a mammoth work force.

Train Vietnamese on job

The manpower target is 67,000. Of these, there will be 4,500 U.S. personnel (mostly supers and foremen), 7,500 third country nationals (most from Philippines and Korea), and 55,000 Vietnamese.

By early spring, the contractor had more than half of his requirement on the payroll. And it looks like he'll have no trouble getting the rest.

Despite the dangers inherent in the Vietnam operations (attacks by V.C. tropical diseases, unskilled equipment operators), very few men have resigned.

A fundamental part of the personnel program is training. For all practical purposes the Vietnamese have no technical community—equipment operators, truck drivers, survey crews, draftsmen, and the like. There is even an extreme shortage of competent carpenters, bricklayers, pipefitters, etc. So the contractor is directing a technical training program—with dual benefits. The Vietnamese learn fast and soon become proficient at simple skills—carpentry, masonry, cement finishing—and adequate for the immediate needs in equipment operations.

Over a period of time this training and experience will help South Vietnam achieve industrial capability.

Million-dollar spread

The huge volume of work and tight time schedules call for maximum mechanization. To get it, the contractor will use over \$100 million worth of American-made construction machinery. (See box '\$100,000,000 equipment roster'). About \$40 million is currently at work, and \$67 million is already on order. One Navy officer quipped: "This is the world's largest job being performed with equipment on order."

At the beginning of the construction build-up it was easy to draw rigs from mobilization reserves. Now the time-lag is five to eight months—even with priorities.

Parts wear fast

Parts purchase and distribution to the sites that need them are a serious problem.

Wear rates on machinery are ravenous in Vietnam. RMK-BRJ equipment specialists face:

Green operators.

Weather that alternates between 11-in. per day tropical downpours and 110-deg dry spells,

Fine sand and dust everywhere,

A high-gear 20-hr-per-day 7-days-per-week schedule.

As a result, tracks last less than 1000 hr on many jobs. Radiator cores at Cam Ranh last 250 hr. They are then pulled off, repaired, and turned around once. But at the end of 500 hr they are completely "sand-blasted" out. Brake seals during the monsoon season require replacement as often as every other day.

To meet the need for a greater-than-normal supply of repair parts, the contractor orders extras right with his new machine purchases. Another complication arises when stevedores on the West Coast fail to send along bills of lading with parts shipments. Sorting \$150,000 worth of parts on the wharves of Saigon proves an added burden for busy equipment specialists.

Contractor taps world market

The construction program in Vietnam demands vast quantities of materials—\$12½ million worth each month.

A major need is cement. (Vietnam has only a few mills and these are heavily overtaxed meeting the needs of the local economy. As a result, the local price has inflated 400% in just a few months.) Current shipments, bought by low bid from Taiwan, are running 50,000 metric tons per month. Price is below West Coast figures; with further saving in shipping cost.

For timber, U.S. lumber mills quoted prices below those of Asian firms, including the Philippines. Right now RMK-BRJ has over 100 million bd-ft on order.

The need for structural steel is limited; mostly pre-engineered buildings. Reinforced steel, sheet piles, and other steel items have been bought in the Asian market—mainly Japan, Taiwan, and Hong Kong.

VC CLOSES RAIL AND ROADS

Distributing the equipment and materials in-country is as difficult a problem as getting it there.

There is only one major port—Saigon. (Cam Ranh and DaNang are now being developed as secondary ports.) There is no overland transportation. Most roads are inadequate for U.S.-size loads. The V.C. can ambush any convoy. The single railroad is already interdicted at some 80 points. Result: a logistical logjam. All shipping must be by air (expensive) or by water (slow).

But despite the obstacles, a dedicated group of men—military and civilian—are getting the job done. More than this, they are performing remarkably well. With few exceptions, the hundreds of projects that springboard our military efforts are on or ahead of schedule.

HOW TO CONTROL A CONTRACT THAT HAS NO BLUEPRINT

Put any yardstick you want on the contract construction in Vietnam. You'll agree it's the biggest, most difficult project ever undertaken by private contractors.

The joint venture of Raymond International and Morrison-Knudsen easily met the \$3-to-\$5-million-a-year demands of MAC-V (Military Assistance Command-Vietnam) in the early 1960's.

But by 1965 the job was too big (\$500 million a year), even for these giants, so they added the capabilities of Brown & Root and J. A. Jones, a pair of equally famous international contractors. As Project Manager Bert Perkins explains it, "We needed tremendous resources in proven management capability to undertake a project of this scope in the short time span required."

To extend its organizational skills even further, RMK-BRJ is subcontracting some 20 items of work.

Double key-man output

The main difficulty in undertaking a project so urgent is that you must move ahead without blueprints.

This is where experience pays. The Vietnam Builders, as the joint-venturers call themselves, have it. Most of their supervisors have a generation's job know-how to draw on.

Bert Perkins has developed a novel way to multiply the output of his key men.

"Stole the idea from the Navy," he says. "Works like this. Each key man has a smart young engineering aide. (The Navy calls 'em Blue Darts.) I have a couple of them and a Special Assistant with no fixed assignment. This gives all top managers an extra set of eyes and hands and feet. The aide goes with the key man all the time, gets to know the jobs, the background, how the boss thinks, and what he's interested in. When something comes along where the boss can't be in two places at once, the aide goes instead."

Even so, most of the RMK-BRJ top men work 12 to 15 hr a day, 7 days a week. Bert himself spends five days in the field, troubleshooting problems on his 40 or so projects.

Everyone needs everything now

Adding to the management problems is the fact that there are many "customers" for the contractor's services. This is a military program in a war zone. Vietnam Builders are at the disposal of scores of "customers." Each corps and base commander, each branch of service, both U.S. and Vietnamese, has separate and immediate needs. (And these change—with the fortunes of war and shifts in military strategy.)

It's the job of RMK-BRJ management to see that all these needs are met—and through proper channels.

This creates the second major problem: time. Between the request for construction by a specific CO and the actual crank up of project forces must come the approval, clearance, and OK for funding by a host of military staffs and committees. (And occasionally congressional approval.)

Of course, the CO always needs the facilities "yesterday." Since the time-lag due to distance is six months, Bert Perkins and his staff often have to use some top-level diplomacy in explaining why they can't go right to work or meet everyone's needs.

Management thinks ahead

To counter the adverse effects of shipping delay, the Viet Builders management staff has improvised a system of "advance thinking." It works like this.

A CO at one of the military bases tells OICC (Officer in Charge of Construction, U.S. Navy BuDocks, the military contracting authority for all of Vietnam) that he needs a particular facility. While the request is flowing through normal military and civilian channels, OICC talks to RMK-BRJ. They sit down right there and then and mentally